HOUSING AUTHORITY
of the County of Los Angeles
Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org

AGENDA
FOR THE REGULAR MEETING OF THE LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, MARCH 28, 2007
12:00 NOON
LANCASTER HOMES
711-737 W. JACKMAN STREET
LANCASTER, CA 93534
(661) 255-5818

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1. **Call to Order**

2. **Roll Call**

   Lynn Caffrey Gabriel, Chair
   Henry Porter, Jr., Vice Chair
   Severyn Aszkenazy
   Philip Dauk
   Adriana Martinez
   Dora Nowden

3. **Reading and Approval of the Minutes of the Previous Meetings**

   Regular Meeting of February 28, 2007

4. **Report of the Executive Director**

5. **Staff Presentations**

   Quarterly Status Report – Geoffrey Siebens

6. **Public Comments**

   The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.

Regular Agenda

7. **Approve Construction Contract for Roof Repairs at Palm Apartments Senior Housing Development in the City of West Hollywood (3)**
Recommend approval and find that the roof repairs at the Palm Apartments senior housing development, located at 959 Palm Avenue, in the City of West Hollywood, is exempt from the California Environmental Quality Act (CEQA), because the work will not have the potential for causing a significant effect on the environment; approve the award of a Construction Contract (Contract) in the amount of $62,655 to Best Contracting Services, Inc. for the subject repairs; authorize the Executive Director to execute the Contract and all related documents, to be effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval; authorize the Executive Director to use a total of $62,655 in Capital Funds to fund the Contract, and to approve Contract change orders not exceeding $15,664 for unforeseen project costs, using the same source of funds; authorize the Executive Director to incorporate a total of $78,319 of Capital Funds into the Housing Authority's approved Fiscal Year 2006-2007 Budget, for the subject project. (APPROVE)

8. **Accept Resident Opportunities and Self-Sufficiency Resident Service Delivery Models Program Funds from the U.S. Department of Housing and Urban Development (All Districts)**
Recommend approval and find that the implementation of a three-year program to promote independent living for up to 1,529 elder and disabled persons residing in 14 conventional public housing sites, identified in Attachment A, is exempt from the California Environmental Quality Act (CEQA), because the program will not have a significant effect on the environment; authorize the Executive Director to accept from the U.S. Department of Housing and Urban Development (HUD) a $350,000 grant of Resident Opportunities and Self-Sufficiency (ROSS) Resident Service Delivery Models Program funds to implement the subject program; authorize the Executive Director to execute all required grant documents; and if approved, to include the grant funds in the Housing Authority's proposed 2007-2008 Fiscal Year budget, authorize the Executive Director to prepare and execute contracts and related amendments with multiple community organizations and service providers, including increasing contract amounts by up to 25 percent, for a total amount not exceeding $350,000, to assist with program planning, implementation, and administration of activities, following approval as to form by County Counsel. (APPROVE)

9. **Furniture, Fixtures and Equipment for Section 8 Program Office at 2323 East Palmdale Boulevard, Palmdale (5)**
Recommend approval and find that the purchase of furniture, fixtures and equipment (FFE) for the Section 8 Program office at 2323 East Palmdale Boulevard in the City of Palmdale is not subject to the California Environmental Quality Act (CEQA), because the activity will not have a significant impact on the environment; approval and authorize the Executive Director to negotiate and enter into contracts and related documents with various firms, to be effective following approval as to form by County Counsel and execution by all parties, to

provide FFE for the subject Section 8 Program office; and to use for this purpose a maximum of $296,000 in Housing Choice Voucher Administrative Funds included in the Housing Authority's approved Fiscal Year 2006-2007 budget; approve and authorize the Executive Director to execute amendments to the contracts, following approval as to form by County Counsel, to provide for any unforeseen costs, not exceeding an aggregate of $74,000, using the same source of funds. (APPROVE)

10. **Approve Janitorial Services Contract (All Districts)**
Recommend approval and find that the Janitorial Services Contract (Contract) is exempt from the California Environmental Quality Act (CEQA), because the services will not have the potential for causing a significant effect on the environment; approve and authorize the Executive Director to execute a one-year Contract for Janitorial Services with Diamond Contract Services, Inc., and all related documents, for janitorial services at the Housing Authority's administrative offices and housing developments; authorize the Executive Director to fund the Contract for a total amount not exceeding $270,922.56 in Housing Authority funds, comprised of $45,154 included in the approved Housing Authority's fiscal year 2006-2007 budget and $225,768.56 to be requested through the fiscal year 2007-2008 annual Housing Authority budget approval process; authorize the Executive Director to execute amendments to the Contract following approval as to form by County Counsel, for a maximum of two years, in one-year increments, at the same yearly amount of $270,922.56, using funds to be requested through the Housing Authority's annual budget approval process; authorize the Executive Director to execute amendments to the Contract for unforeseen additional services, following approval as to form by County Counsel, in an amount not to exceed $13,546.13 per year, using the same annual funding described above. (APPROVE)

11. **Housing Commissioner Comments and Recommendations for Future Agendas**

Housing Commissioners may provide comments or suggestions for future Agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 838-5051, or by e-mail at marisol.ramirez@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

MINUTES FOR THE REGULAR MEETING OF THE

LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, February 28, 2007

The meeting was convened at the Headquarters Office located at 2 Coral Circle, Monterey Park, California.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Vice Chair Henry Porter, Jr. at 12:35 p.m.

ROLL CALL	**Present**	**Absent**
Lynn Caffrey Gabriel		X
Henry Porter, Jr.	X	
Severyn Aszkenazy	X	
Philip Dauk	X	
Adriana Martinez		X
Dora Nowden	X	

PARTIAL LIST OF STAFF PRESENT:
Carlos Jackson, Executive Director
Bobbette Glover, Assistant Executive Director
Maria Badrakhan, Director, Housing Management

GUESTS PRESENT:
No guests were present

Reading and Approval of the Minutes of the Previous Meeting
On Motion by Commissioner Nowden, seconded by Commissioner Dauk, the Minutes of the Regular Meeting of January 24, 2007 were approved.

Agenda Item No. 4 - Report of the Executive Director
Bobbette Glover reported on the following matters:

Reginald Snelson and Lucila Tello have been selected to receive the Volunteer of the Year Award. They will be recognized at the Volunteer of the Year Luncheon in April.

Interviews to select new Tenant Commissioners will be conducted on March 22, 2007. A member of Chief Administrative Office will participate. Ms. Glover requested that at least one Housing Commissioner participate in the selection process.

Maria Badrakhan reported that Steven Hollenshed, Special Advisor to the HUD Secretary, visited Maravilla Housing Development. He was impressed with the quality of the property and level of activity and resident involvement.

The Housing Authority recently hosted the Southern California Financial Officers Group Training. The focus was to share information on new regulations that might impact housing authorities. Representatives from 30 housing authorities throughout California and local HUD staff attended.

Carlos Jackson discussed his meeting with investigative reporters from the Los Angeles Times who requested: the names of current and past Housing Authority and Commission employees, copies of Conflict of Interests forms, names of landlords and the top 100 Section 8 subsidized rents. Most of the information requested was for January 2002 through 2007. Two to three weeks prior to the request, Mr. Jackson instructed that Housing Authority and Commission staff complete Disclosure Statements regarding potential conflicts of interest.

Mr. Jackson also reported that on February 20, 2007, the Board of Supervisors passed a motion requesting a report identifying the steps taken to rectify the Section 8 Program matter. A copy of the report was provided to the Housing Commissioners. Mr. Jackson summarized the report and answered questions from the Commissioners.

Agenda Item No. 5 – Staff Presentations

Blair Babcock presented a report on the Marina Del Rey development and responded to questions from the Commissioners.

Tricia Tasto presented the legislative update and responded to questions from the Commissioners.

Agenda Item No. 6 - Public Comments

No members of the public were in attendance.

Regular Agenda

On Motion by Commissioner Severyn, seconded by Commissioner Nowden, and unanimously carried, the following was approved by the Housing Commission:

APPROVE THE AGENCY PLAN FOR THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES (ALL DISTRICTS)
AGENDA ITEM NO. 7

1. Recommend that the Board of Commissioners find that the attached Agency Plan for Fiscal Year 2007-2008, as described herein, is exempt from the provisions of the California Environmental Quality Act (CEQA), because the activity will not have the potential for causing a significant effect on the environment.

2. Recommend that the Board of Commissioners approve the attached Agency Plan, which consists of the Five-Year Plan for Fiscal Years 2004-2008, with an amendment to include goals relating to the Violence Against Women Act and Project-Based Vouchers, and the Annual Plan for Fiscal Year 2007-2008, as required by the U.S. Department of Housing and Urban Development (HUD), to update the Housing Authority's program goals, major policies and financial resources, including the Capital Fund Annual Statement and Five-Year Action Plan, the Admissions and Continued Occupancy Policy for the Conventional Public Housing Program, the Public Housing Lease Agreement and the Section 8 Tenant-Based Program Administrative Plan.

3. Recommend that the Board of Commissioners adopt and instruct the Chair to sign the attached Resolution approving the Agency Plan for submission to HUD, and authorizing the Executive Director of the Housing Authority to take all actions required for implementation of the Annual Plan.

4. Recommend that the Board of Commissioners authorize the Executive Director to execute all documents required to receive from HUD approximately $5,665,390 in Capital Fund Program funds for resident programs, operating costs, and the rehabilitation of 1,461 housing units at 12 Conventional Public Housing Program developments throughout Los Angeles County, as described in the Annual Plan.

5. Recommend that the Board of Commissioners authorize the Executive Director to incorporate into the Annual Plan all public comments received and approved for inclusion by the Board; and authorize the Executive Director to submit the Annual Plan to HUD by April 17, 2007.

On Motion by Commissioner Dauk, seconded by Commissioner Severyn, and unanimously carried, the following was approved by the Housing Commission:

APPROVE VACANT PROPERTY SECURITY SYSTEM CONTRACT FOR HOUSING AUTHORITY HOUSING SITES LOCATED WITHIN LOS ANGELES COUNTY (ALL DISTRICTS)
AGENDA ITEM NO. 8

1. Recommend that the Board of Commissioners find that executing a Vacant Property Security Contract (Contract) to rent a vacant unit board-up security system for housing developments located within Los Angeles County is exempt from the California Environmental Quality Act (CEQA), as described herein, because the activities will not have the potential for causing a significant effect on the environment.

2. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute a one-year Contract with Vacant Property Security, Inc. (VPS), to provide a vacant unit security system for Ujima Village located at 941 E. 126th Street and other housing developments as needed, following approval as to form by County Counsel, and to use for this purpose a maximum amount not to exceed $507,645 in Conventional Public Housing Operating Funds.

3. Recommend that the Board of Commissioners authorize the Executive Director to execute Contract amendments, following approval as to form by County Counsel, to incorporate additional sites, increase compensation amounts as provided herein, and extend the Contract term for up to two additional years, in one-year increments, at the same yearly Contract amount of $507,645, for a maximum aggregate amount of $1,522,935, using funds to be approved through the annual budget process.

On Motion by Commissioner Severyn, seconded by Commissioner Nowden, and unanimously carried, the following was approved by the Housing Commission:

AMENDMENT NO. 4 TO THE AGREEMENT FOR THE PURCHASE OF INTERIOR PAINT FOR MAINTENANCE OF HOUSING AUTHORITY PROPERTIES (ALL DISTRICTS)
AGENDA ITEM NO. 9

1. Recommend that the Board of Commissioners find that Amendment No. 4 to the Agreement for the Purchase of Paint (Agreement) between the Housing Authority and Pervo Paint Company for the purchase of interior paint for the maintenance of Housing Authority properties is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

2. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute Amendment No. 4 to the Agreement, and all related documents, to increase the compensation amount by $68,317.50, from

$74,060 to $142,377.50 to purchase paint on an annual basis for the second and third year of the Agreement. The total compensation over the three-year period will not exceed $358,815.

3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of $74,060 in Conventional Public Housing Program funds and $68,317.50 in Capital Fund Program funds, both allocated by the U.S. Department of Housing and Urban Development (HUD), for the second year of the Agreement and $142,377.50 for the third year of the Agreement, using funds to be approved through the annual budget process.

On Motion by Commissioner Dauk, seconded by Commissioner Severyn, and unanimously carried, the following was approved by the Housing Commission:

APPROVE VIDEO SURVEILLANCE SYSTEMS INSTALLATION
AND MAINTENANCE CONTRACT FOR SIX HOUSING DEVELOPMENTS
(ALL DISTRICTS)
AGENDA ITEM NO. 10

1. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute a 2-year Video Surveillance System and Maintenance Contract (Contract) with one 1-year extension with West Beach Systems (West Beach), to supply, install, and maintain video surveillance systems at six housing developments located throughout Los Angeles County, in a total amount not to exceed $322,454, if fully extended, following approval as to form by County Counsel, and to amend the Contract to add a contingency amount of $71,715, as may be needed, using funds to be approved through the annual budget process.

2. Recommend that the Board of Commissioners authorize the Executive Director to accept and incorporate into the approved Fiscal Year 2006-2007 budget, $289,644 in CDBG funds, and $10,000 in State of California Replacement Reserve Account funds, for the Contract.

3. Recommend that the Board of Commissioners authorize the Executive Director to execute an amendment to the Contract to extend the maintenance agreement for a third year, as may be needed, for a total amount not to exceed $22,810, following approval as to form by County Counsel, using funds to be approved through the annual budget process.

On Motion by Commissioner Dauk, seconded by Commissioner Severyn, and unanimously carried, the following was approved by the Housing Commission:

ELECTION OF HOUSING COMMISSION CHAIR AND VICE-CHAIR FOR 2007
AGENDA ITEM NO. 11

Commissioner Gabriel shall retain her position as Chair of the Housing Commission Board. Commissioner Porter shall retain his position as Vice Chair of the Housing Commission Board.

Agenda Item No. 12– Housing Commissioner Comments and Recommendations for Future Agenda Items
No Housing Commissioner comments were presented.

On Motion by Commissioner Nowden, the Regular Meeting of February 28, 2007, was adjourned at 2:50 p.m.

Respectfully submitted,

Bobbette A. Glover
for CARLOS JACKSON
Secretary -Treasurer

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

March 28, 2007

TO: Bobbette A. Glover, Assistant Executive Director

FROM: Robert Romanowski, Supervisor
Construction Management Division (CMD)

SUBJECT: **QUARTERLY CONSTRUCTION CONTRACT STATUS REPORT**

Attached is the quarterly construction contract status report, which includes all Housing Authority "active projects." The report is comprised of the summary status as entered in TRACKER by the assigned project managers in CMD, as of today.

As previously requested, we have included the target construction completion date in the narrative for each contract.

These contracts have been approved by the Housing Commission and the Board of Commissioners. The projects are in the construction or closeout phases. Any projects which were reported as 100% in the previous report have been omitted. Contracts for which the Notice to Proceed has not yet been issued will appear in the next report.

One or more CMD representatives will be available at the March 28, 2007 Housing Commission meeting to answer any questions. Thank you.

c: Maria Badrakhan, Director, Housing Management Division
Esther Keosababian, Assistant Director, Housing Management Division
Arlene Black, Area Manager, Housing Management Division
Mary Douglas, Area Manager, Housing Management Division
DeAnn Johnson, Director, CMD
Geoffrey Siebens, AIA, Manager, CMD
Bill Yee, AIA, Manager, CMD

Quarterly HC status report cover memo 03 28 07

Contract Status Report

Project Filter Options

District: All Distr.

Program: All Programs
Department: Construction Management
Dev. Stage: Active

Proj. Manager: All Managers
Team Member: All Team Members
Fund Source: All funds

District	Project Name	Contractor Name	Original Contract Amount	Current Contract Amount	% Cng Orders	Approved Payments	%Cmpl	Status Pending Action / Forecast
1st	Linsley-Firmona Rehab (Replacement Housing Funds) Tracker #: TP001780	C. A. S. General Contractor	$220,010	$220,010	0%	$0	0%	ZK Construction was the lowest bidder but discovered a math error in their bid. A letter of withdrawal was received February 16, 2007. The next lowest bidder is CAS General Contractor. CMD has reviewed the cost breakdown, checked references, and will submit the recommendation for contract award to HMD.
1st	Maravilla Underground Electrical and Pole Repairs Tracker #: TP000553	Skips Electric Inc.	$98,500	$122,218	24%	$115,937	95%	Three bids were received for the remaining electrical poles and concrete footings. The lowest bid at this time is from Skip's Electric in the amount of $24,850. CMD will prepare the Contract, recommendation letter, and forward the procurement documents to HMD to process the P.O.
2nd	91st St Seismic Retrofit (1109 W) (501-04) Tracker #: TP001895	M.L. CONSTRUCTION	$262,100	$403,428	54%	$403,428	100%	Project completed.
3rd	Santa Monica RHCP Tub Replacement (FY 04-05) Tracker #: TP001155	AZ Home Inc.	$103,356	$124,027	20%	$124,027	100%	Work is completed and was accepted by HMD. The contractor still owes us final closeout documents. Some labor compliance items are still outstanding.
3rd	West Knoll Elevator Replacement Tracker #: TP002092	M.L. CONSTRUCTION	$240,400	$399,892	66%	$271,963	68%	West elevator installation progress 100%. Final State inspection and testing conducted March 15. After testing, both elevators will run for one week for balancing and refinements. New East elevator was delivered to the site. Demolition of existing East elevator to start March 27. Schedule calls for September 2007 completion, pending State inspections and clearance.
3rd		Superior Alliance Elevator Corp.	$173,430	$219,776	27%	$81,053	37%	

District	Project Name	Contractor Name	Original Contract Amount	Current Contract Amount	% Cng Orders	Approved Payments	%Cmpl	**Status** Pending Action / Forecast
4th	Carmelitos Accessible Units Kitchen Remodel (FY04- Tracker #: TP001603	Natural Building Maintenance	$297,300	$316,365	6%	$316,365	100%	Final and retention payments were processed in February. Project Completed.
4th	Carmelitos Gas Lines (Phase 1 and 2 of 4) Tracker #: TP001163	ML CONSTRUCTION (old)	$143,360	$150,260	5%	$150,260	100%	Phase 2 (182 units), a year-long contract, is on schedule. Buildings 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, and 26 (166 units) are done. Buildings 27 and 28, (an additional 16 units) are scheduled to be done by the end of March. Project is three months ahead of schedule with no issues. Contractual completion date is July 3, 2007 for this phase II. CMD is preparing bid package for Phase III of IV (175 units), for advertisement in June or as soon as HUD approves Agency Plan and Annual Statement.
4th		M.L. CONSTRUCTION	$1,311,700	$1,339,000	2%	$1,015,911	76%	
4th	Harbor Hills Community Center Ramp Site Work Tracker #: TP002083	C.S. Legacy Construction, Inc.	$174,205	$209,034	20%	$209,034	100%	Project is 100% complete. Building and Safety has signed off on all work. We received the final Certificate of Occupancy around 1/25/07. Labor compliance issues were resolved February 27, 2007. We are processing the final payment to release labor compliance withheld amount. This final payment closes out the entire project.
4th	Harbor Hills Heater Replacement Tracker #: TP002151	Sun Mechanical Company	$481,505	$481,505	0%	$114,673	24%	The contractor completed all work on the Southern portion of the site and is 70% done overall. The project is running smoothly with no issues. The contractor is expected to complete all work within two to three weeks of the original completion date of March 30, 2007.
4th	Marina Manor I & II Fire Alarm Retrofit Tracker #: TP001934	Jam Corporation	$238,000	$238,000	0%	$238,000	100%	The consultant, HMD, contractor, and CMD conducted the punch list inspection on February 2. MMII's system was approved by Fire Department on February 14. Consultant is generating the punch list, mainly for patching and painting for areas where old devices were removed. Project and file to be closed out by the end of April.
All Distr.	Sundance Vista and Whittier Manor Site Improvement Tracker #: TP001560	AZ Home Inc.	$113,850	$126,825	11%	$87,544	69%	Project completed; CMD will schedule a final walk thru with AZ Home during the week of 2/26. There may be punch list items to follow up; final payment and retention release will be processed upon receipt of the close out documents.

District	Project Name	Contractor Name	Original Contract Amount	Current Contract Amount	% Cng Orders	Approved Payments	%Cmpl	**Status** Pending Action / Forecast
		TOTALS:	$3,857,716	$4,350,340	13%	$3,128,195		

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

March 28, 2007

TO: Housing Commissioners

FROM: Richard Martinez, Interim Operations Manager
Assisted Housing Division

Richard Martinez

RE: **THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM**

FSS Program Update

- In the month of February FSS staff met with and assisted 79 FSS participants with supportive services information and general Housing Choice Voucher questions.

- In the month of February, the Family Self Sufficiency staff successfully recruited 5 applicants for the FSS program.

- Resource information on the Earned Income Tax Credit, the V.I.T.A. tax preparation program and the Small Business Development Center was provided to and discussed with FSS participants during workshops.

- In the month of February, FSS staff attended the SASSFA Partnership, Quality Control and Marketing meetings to share information and resources with FSS partners within the local Community.

- An FSS staff representative gave a presentation to the Partnership meeting at SASSFA to introduce the FSS program's open recruitment project.

- In the month of February, FSS staff counseled and referred 19 FSS participants to WorkSource Centers in their area for computer resources and job search assistance.

- Resource information for employment opportunities, budgeting, money saving tips and homeownership workshops were provided to and discussed with 27 FSS participants during the February re-issuance appointments.

- FSS staff counseled and provided information on the Volunteer Income Tax Assistance Program to four FSS participants.

- FSS staff counseled and referred 2 FSS participants to Operation Hope Homeownership Program per the tenant's request.

- FSS staff counseled and referred 1 FSS participant to the Habitat for Humanity Homeownership Program per the tenant's request.
- FSS staff counseled and referred 3 FSS participants to the Homeownership Program (HOP) per the tenant's request.
- FSS staff mailed job resources to 14 FSS participants with their annual modification letters.
- FSS staff planned the FSS open recruitment project and set a goal for recruiting 200 new FSS participants during the months of March through June. The recruitment project will make extensive use of phone banks and all section 8 participant meetings, both FSS and non-FSS.

Graduates

There was 1 graduate in the month of February. The total number of graduates to date is 168.

If you have any questions, please call me at (562) 347-4663 Ext. 8254.

RM:PJ:WB:dt

FOR YOUR INFORMATION ONLY

March 5, 2007

To: Commission, Committee & Advisory Board Officers

From: Jeanne L. Kennedy, Chair JK
Quality and Productivity Commission

MAY 23, 2007 COMMISSIONERS' LEADERSHIP CONFERENCE:
Leading Edge Leadership in Times of Change

Please find enclosed "Save the Date" cards for **Commission, Committee and Advisory Board Officers** to the fifth annual Commissioners' Leadership Conference: *Leading Edge Leadership in Times of Change* to be held on Wednesday, May 23, 2007.

Coming together to share essential information and exchange ideas has always been a central part of government. The contributions of private and public citizens working together continue to strengthen our communities.

We look forward to your participation at the conference.

JLK:RW

Enclosure

County of Los Angeles
Quality and Productivity
Commission

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Los Angeles, CA 90012

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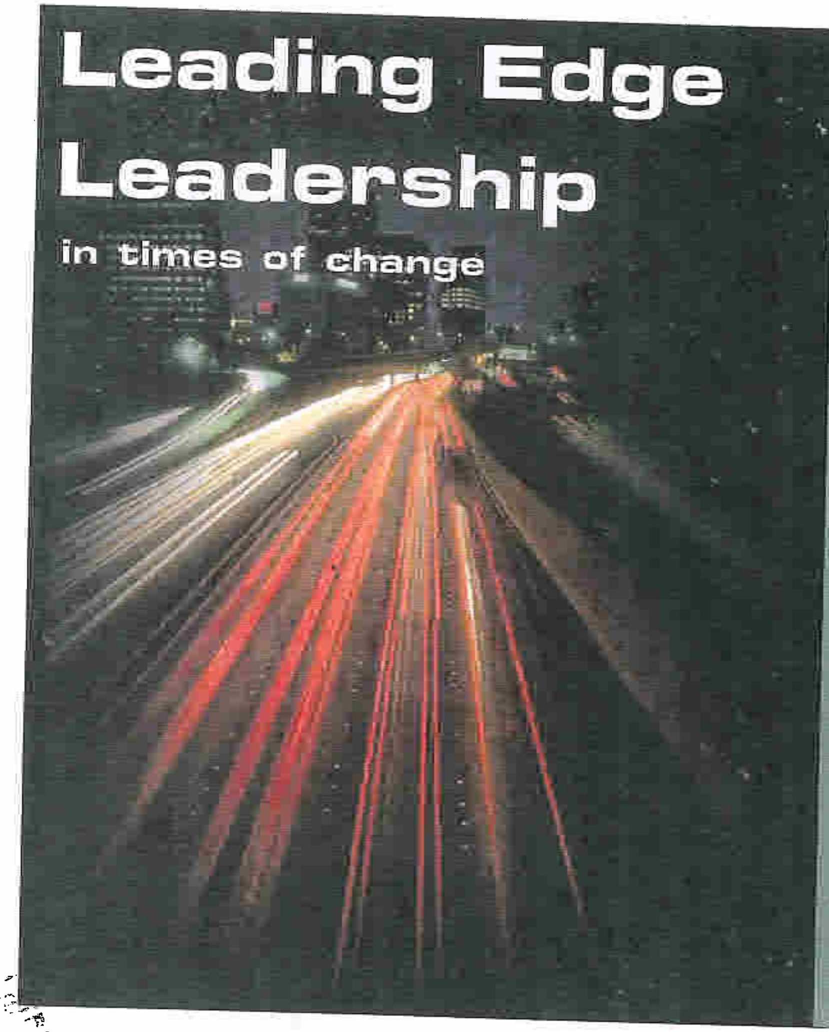

Save the Date!
May 23, 2007

Quality and Productivity Commission

Fifth Annual

COMMISSIONERS' LEADERSHIP CONFERENCE

For Commission, Committee & Advisory Board Officers
Department Heads and Productivity Managers

THE MUSIC CENTER
135 North Grand Avenue
Los Angeles, CA 90012

Wednesday, May 23, 2007
8:30 a.m. - 2:00 p.m.
Invitation and more information to follow

Empowering County Commissioners:
Communicate, Educate and Advocate

HOUSING AND DEVELOPMENT REPORTER

HDR CURRENT DEVELOPMENTS

In Housing, Community Development, Finance and Taxation

FEBRUARY 19, 2007 Vol. 35, No. CD-4

HUD Budget Provides Increases for Section 8, HOME, Operating Fund, Homeless Aid, Cut for CDBG Funds

By Joseph P. Poduska

President Bush sent Congress a $35.2 billion HUD budget with increases for Section 8 programs, HOME, homeless assistance, and the public housing operating fund, but cuts in community development block grants, the public housing capital fund, and HOPE VI.

"This budget continues President Bush's deep commitment to build an ownership society while recognizing the need to promote affordable housing programs across the country," HUD Secretary Alphonso Jackson said. "Our budget reflects the President's goal to support what works and cut the federal budget deficit by prioritizing funding towards programs with measurable, documented results."

Major elements of the budget include: Section 8, $16 billion for tenant-based assistance and $5.813 billion for project-based aid; public housing operating fund, $4 billion; public housing capital fund, $2.024 billion; HOME, $1.967 billion, including $50 million for down payment assistance; community development, $3.037 billion; homeless assistance, $1.586 billion; Section 202, $575 million; Section 811, $125 million; and housing opportunities for persons with AIDS (HOPWA), $300 million.

The community development funding includes $2.968 billion for formula CD block grants, down from $3.704 billion this year. HUD will also propose a revised CDBG formula which the department says will better target communities with the greatest need.

The homeless assistance funding, a record amount, is up from $1.327 billion appropriated for fiscal 2006 and $1.442 billion approved for 2007 in the continuing resolution (H.J.Res. 20). The total includes $25 million for the prisoner re-entry initiative for ex-offenders. The funds would be transferred to the Labor Department. The initiative also involves the Department of Justice. *(For reaction to the budget, see p. 99.)*

Section 8 Programs

The $16 billion for Section 8 tenant-based vouchers includes $14.445 billion for the renewal of annual contributions contracts, of which $100 million is a set aside as

continued on page 125

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HIGHLIGHTS

THOMSON WEST

continued from front page

a central fund for unforeseen program needs or for the one-time funding of portable vouchers. Another $150 million in tenant-based Section 8 funding is for tenant protection vouchers, and $48 million would go to Family Self-Sufficiency (FSS) coordinators.

The voucher renewal formula would be based on the amount PHAs were eligible to receive in calendar 2007 with the 2008 annual adjustment factors applied and with a further adjustment for costs associated with the Family Self-Sufficiency (FSS) program escrow accounts and the first-time renewal of HOPE VI and tenant protection vouchers.

The budget requests $1.351 billion for Section 8 administrative fees, with $35 million set aside for PHAs with additional administrative costs, including up to $30 million for fees associated with tenant protection rental assistance. In addition, $5 million in administrative fees would be used for incentive bonuses to cover administrative expenses for PHAs that voluntarily consolidate.

Administrative fees would be distributed to PHAs according to a formula based on the number of assisted households.

The budget also provides $5.813 billion for project-based Section 8, of which $5.523 billion is for the renewal of expiring or terminating contracts and contract amendments and $286 million is for performance-based contract administrators.

In addition, the budget would rescind $1.3 billion in unobligated prior-year Section 8 funds. If this amount exceeds the total of unobligated Section 8 funds, the remainder would come from other HUD programs.

The budget would continue the legislative prohibition against Section 8 voucher assistance to any student who is under 24, not a veteran, unmarried, does not have a dependent child, and is not disabled or is not otherwise individually eligible or has parents who are not eligible for Section 8 assistance.

Another Section 8 provision that would be extended would, for the purposes of determining Section 8 eligibility, consider as income any financial assistance (in excess of amounts received for tuition) under the Higher Education Act of 1965, from private sources, or from an institution of higher education, except for a person older than 23 with dependent children.

Section 8 Reforms

In connection with the budget, HUD plans to send a legislative proposal to Congress to reform the Section 8 voucher program. HUD would eliminate the cap on the number of families each PHA can assist. In addition, a new funding allocation formula would be based on the amount a PHA spent in the most recent year.

HUD would identify and adjust the new formula for unspent prior-year balances from PHAs. HUD reported that at the end of 2006, such balances totaled more than $1 billion, with more than half of this amount representing balances that could not be spent due to the current cap on the number of authorized units.

Under HUD's proposal to eliminate this cap, PHAs that have not drawn down prior-year balances would have their funds reduced for the next year.

In addition, the budget contains legislative language to reauthorize the Section 8 mark-to-market program through fiscal 2011, an extension already included in the continuing resolution.

The budget would also continue the 50-50 sharing between HUD and housing finance agencies of budget authority savings from Section 8 financing adjustment factor (FAF) bond refinancings. Up to 15 percent of the HFA share of savings could be used for incentives to owners to refinance at lower interest rates.

Public Housing

For public housing, the capital fund would receive $2.024 billion, including $14.8 million for technical assistance, $10 million to support PHA administrative and judicial receiverships, and $15.3 million for activities of the HUD Real Estate Assessment Center (REAC).

The public housing operating fund would receive $4.0 billion, including $5.9 million for technical assistance related to the transition to asset-based management.

The budget provides no new funding for the HOPE VI program and would rescind $99 million in fiscal 2007 funds. HUD is also seeking no new funding for the Resident Opportunity and Self-Sufficiency (ROSS) program.

Self-Help Housing

Self-help housing programs would get $69.7 million, including $30 million for the National Community Development Initiative, which funds the capacity-building activities of the Local Initiatives Support Corporation and Enterprise Community Partners Inc.

The $575 million request for Section 202 housing for the elderly includes $415.4 million for new capital advances and project-based rental assistance contracts (PRACs) and $62 million for PRAC renewals.

These funds include $25 million for a demonstration program to combine Section 202 with other sources of development financing, including low-income housing tax credits and other tax incentives.

The Section 202 funds include $71 million for service coordinators and existing congregate service grants and $24.7 million for the conversion of projects to assisted living or for emergency capital repairs.

The $125 million for Section 811 housing for the disabled would provide $29.5 million for new projects, including $15 million for a demonstration program that combines Section 811 grant awards with tax credit incentives. The Section 811 total also includes $20 million for PRAC renewals and $74.7 million for new mainstream tenant-based assistance.

Indian Housing

Indian housing block grants would receive $626.9 million, and guarantees of notes and obligations under Title VI of the Native American Housing Assistance and Self-Determination Act (NAHASDA) would be limited to $17 million. The ceiling for Section 184 Indian housing loan guarantees would be set at $367 million.

The budget contains no specific funding for the National American Indian Housing Council, which received $2 million to provide technical assistance and training in fiscal 2006, or for the Housing Assistance Council, Special Olympics, National Council of La Raza, or National Housing Development Corporation.

The Native Hawaiian block grant program would receive $5.9 million, and Section 184A Native Hawaiian loan guarantees could not exceed $41.5 million.

Community, Economic Development

In addition to the formula CDBG funding, the budget provides $57.4 million for the Indian CDBG program and $7 million for insular areas.

The budget calls for termination of brownfields redevelopment, Section 108 loan guarantees, and rural housing and economic development. HUD said these programs are duplicative since their activities are eligible for funding by CDBG and other federal programs. Youthbuild is not funded in the HUD budget since it has been transferred to the Labor Department.

In other community development funding, Section 107 grants would receive $3 million for technical assistance under the community development account and $25.3 million from the $65.0 million policy development and research (PD&R) account, as follows: historically black colleges and universities, $8.5 million; Hispanic serving institutions, $5.7 million; Community Outreach Partnership Center program, $5.9 million; Alaska Native serving institutions, $2.8 million; and tribal colleges and universities, $2.4 million.

There will be no funds set aside for the Partnership for Advancing Technology (PATH) program, but PATH will remain an eligible activity for PD&R funds.

Mortgage Programs

For FHA-insured home loans, the Administration is again proposing a zero down payment program and risk-based premiums for risky borrowers, which could be reduced after a period of on-time mortgage payments. Premiums would be based on the borrower's credit score and other risk indicators.

The budget also propose to increase the FHA single-family loan ceiling and floor limits from 87 percent and 48 percent of the Fannie Mae and Freddie Mac conforming loan limit to 100 percent and 65 percent, respectively.

Due to adverse loan performance and improved estimating techniques, total costs for the FHA single-family program now exceed receipts on a present value basis.

To address this problem, HUD plans to raise single-family mortgage insurance premiums in order to avoid the need for credit subsidy appropriations.

HUD is also proposing to consolidate single-family programs in the Mutual Mortgage Insurance Fund (MMIF).

The HUD budget would set commitment limits of $185 billion for the MMIF and $35 billion for the FHA General Insurance and Special Risk Insurance (GI&SRI) account, which includes multifamily programs.

The budget also includes a commitment limit of $100 billion for Ginnie Mae mortgage-backed securities.

HUD fair housing activities would get $45 million, including $24.8 million for the fair housing assistance program (FHAP) and $20.2 million for the fair housing initiatives (FHIP) program.

In addition, a total of $116 million is requested for lead hazard control programs, and the Office of Inspector General would get $112 million, of which $23.7 million is a transfer of funds from FHA.

HUD would also rescind $27.6 million in funds for rent supplement and state-assisted non-insured Section 236 projects.

IDEAS AND TRENDS

PUBLIC HOUSING

Study Finds Public Housing Benefits Low-Wage Workers, Communities

Public housing provides several economic benefits to regional economies, sustaining low-wage workers and providing modest subsidies to high-growth service industries, according to a report prepared by the Econsult Corporation in Philadelphia.

The report, commissioned by the Council of Large Public Housing Authorities, the Public Housing Authorities Directors Association, and the Housing Authority Insurance Group, examines public housing in 10 cities. The study is meant to inform the debate about the role of the federal government in providing public housing, the public housing groups said.

In none of the 10 cities studied could a typical public housing household, with or without a wage earner, afford the 25th percentile rent, let alone the Section 8 fair market rent (FMR), unless they receive a subsidy. The study used the gap between the 25th percentile rent and the median public housing rent in these cities as a proxy for the effective increase in residents' disposable income that public housing provides.

Income Subsidy

The monthly effective income subsidy ranged from $221 in New Bedford, Mass., to $977 in Boston. The subsidies in other cities were as follows: Akron, Ohio, $382; Charlotte, $375; Dallas, $533; Kansas City, $295; Miami, $569; Oakland, $617; San Diego, $484; and Seattle, $521.

Charlotte and Kansas City did not have information on household income in an accessible format for this study, but the average annual income of public housing households in the eight other cities was only $10,357. The average annual income for families with at least one wage earner was $14,938.

Based on these figures, public housing households in these eight cities effectively save an average of $5,964 in housing costs each year, or 58 percent of their average annual incomes.

Economic Impact

The study also concluded that the effective income subsidy for public housing residents provides a modest subsidy to service industries dependent on low-wage workers.

The hotel and food services industry, along with the retail trade and other service sector firms, collectively employ more than one-quarter of all workers in the 10 markets studied. Yet none of these industries pays a sufficient wage in any of the cities for a single-income household to afford either an FMR or a 25th percentile two-bedroom rental unit, according to the study.

Employing a Commerce Department economic model, the study found that on average in the 10 markets, each dollar of PHA spending on capital and maintenance projects generates $2.12 in total regional spending, and each dollar a PHA spends for operations generates $1.93 worth of spending.

In the sampled markets, these multiplier effects result in more than $643 million in total average annual economic activity, supporting an average of more than 12,600 jobs annually. The average PHA in the study generated over $75 million in local spending and supports over 1,400 local jobs directly or indirectly.

Need for Subsidy

The study concludes that the gap between the investment value of public housing and its replacement cost shows why the private sector cannot build this type of housing without a subsidy.

According to the study, the average aggregate replacement cost of public housing in the 10 cites is $555.9 million while the estimated value to an investor leasing units at the FMR is $376.6 million, using the discounted cash flow method of determining value.

The study estimates that the total cost of replacing the nation's existing public housing stock would approach $162 billion, assuming per-unit construction costs of $120,833 and per-unit land costs of $14,225. Assuming that no land would need to be acquired, replacement costs would total $145 billion.

("Assessing the Economic Benefits of Public Housing" is available at www.clpha.org.)

TAXATION

Home Mortgage Interest Deduction Tops Housing Tax Expenditures

The federal government will "spend" $520.260 billion on the home mortgage interest deduction over the fiscal 2008-2012 period, according to Treasury Department tax expenditure estimates included in the fiscal 2008 budget documents.

The Congressional Budget Act of 1974 defines tax expenditures as revenue losses attributable to provisions in the federal tax laws which allow special exclusions, deductions, exemptions, credits, preferential tax rates, or deferred liabilities.

The estimate for a tax expenditure doesn't necessarily equal the increase in revenues that would result from the repeal of the expenditure because of potential changes in economic behavior and the interaction of different tax provisions.

The mortgage interest deduction is the second-largest tax expenditure, behind only the exclusion of employer contributions for medical insurance premiums and medical care, which has a five-year cost of $1.006 trillion.

COMMUNITY AND ECONOMIC DEVELOPMENT

COMMUNITY DEVELOPMENT

* HUD, FEMA Criticized for Response To Gulf Storms at House Hearing

The federal response to the 2005 Gulf hurricanes came under strong criticism at a February 6 House Financial Services Committee hearing, with HUD and the Federal Emergency Management Agency (FEMA) taking most of the heat.

"In my 30 years as a social worker, I have seen my share of poorly conceived and poorly executed social service programs," said Sheila Crowley, president of the National Low Income Housing Coalition, in her prepared testimony. "Nothing comes close to the horrors of the FEMA rent assistance programs in response to Katrina."

Representatives of the two agencies defended their performance at the hearing.

David Garratt, acting director of recovery at FEMA, noted the "overwhelming" level of devastation from Hurricanes Katrina and Rita.

"Yet, while these disasters tested our plans and processes as never before," Garratt said in his prepared statement, "FEMA, working closely and collaboratively with our federal and state partners, has provided more assistance, and provided that assistance faster, than ever before."

According to Garratt, about $6.3 billion has been provided to over 1 million households through FEMA's individual and households program, more than 120,000 households have been provided temporary housing units, and over $6 billion of public assistance has been provided to Louisiana, Mississippi, and Alabama to reimburse spending for emergency protective measures, debris removal, and infrastructure repair.

HUD Assistance

As for HUD, Congress appropriated $16.7 billion in community development block grant funds for hurricane recovery, and Deputy Secretary Roy Bernardi told the committee that HUD has approved state recovery plans for $10.5 billion.

According to Bernardi, 112,000 rental housing units in the five Gulf states were seriously damaged by the storms, putting upward pressure on rents for the undamaged stock. In response, he noted, HUD raised fair market rents for New Orleans by 45 percent. "Increasing fair market rents, however, does not address the near disappearance of affordable rental units," he added.

Accordingly, Bernardi said, the department's aim "was to repair, rehabilitate, or rebuild the affordable housing projects to the greatest extent possible to ensure that the residents could return as quickly as possible to the Gulf Coast region."

Bernardi said HUD has been working with the owners of projects in its assisted and FHA-insured inventory to develop recovery plans and identify the resources needed for repair or reconstruction. He reported that 98 percent of the projects have recovery plans, and out of 82,404 HUD-associated units in the areas hit by Katrina, there has been a permanent loss of only 263 affordable rental units.

New Orleans Public Housing

Probably the most controversial element of HUD's recovery efforts has been its treatment of New Orleans public housing.

Bernardi reported that almost 2,000 of the 5,100 occupied public housing units affected by Katrina have been repaired, and over 1,200 families have already returned to New Orleans or will be coming back in the next 90 days.

Bernardi also said that the C.J. Peete, B.W. Cooper, Lafitte, and St. Bernard projects are being "redeveloped to make way for a mixture of public housing, affordable rental housing, and single-family homes."

Other witnesses at the hearing, however, focused on the closure of those projects, which they say are preventing families from returning to their homes.

"We would like to work with you to bring our residents home," said Julie M. Andrews of Residents United, in her prepared statement to the committee. "We are organized, and we ask that you join us to open all public housing units."

Crowley said that where feasible, public housing should be repaired and reopened "with all deliberate speed." In addition, she called for a moratorium on the demolition and redevelopment of any public housing that was never evacuated or that has been reoccupied. Where public housing must be redeveloped, Crowley said, HUD must assure one-for-one replacement of all units and the absolute right to return for all tenants in good standing.

Disaster Voucher Program

Crowley also criticized HUD's plan for the end of the disaster voucher program on September 30, 2007, when former voucher recipients will be converted back to the regular program and former residents of public housing or other project-based assistance housing will get tenant protection vouchers until their old units are ready for occupancy.

The problem with this plan, according to Crowley, is that it assumes every HUD-assisted displaced family either will want to return to their old community or will be able to stay in their new location without housing assistance.

She said displaced families should be surveyed on where they want to live, with Congress appropriating sufficient funds to provide vouchers to those who don't want to reoccupy their old assisted units.

Crowley and several other witnesses also called for an extension of the placed-in-service deadline for Gulf Opportunity (GO) zone low-income housing tax credits. Currently, GO zone tax credit units must be placed in service by December 31, 2008, but witnesses said a two-year extension is needed to make sure all of the credits can be used.

Environmental Issues

At the state level, the Louisiana Recovery Authority (LRA) has been criticized for the slow pace of implementation of its CDBG-funded Road Home program, which will provide homeowners up to $150,000 in compensation for damages from Katrina or Rita.

One reason for the delay, according to Walter Leger, a member of the LRA board and chair of the board's housing task force, is Congress's failure to include environmental regulations in the waiver authority in the emergency CDBG appropriation. As a result, he said, the LRA had to redesign the program to avoid costly, time-consuming environmental reviews.

Edgar A.G. Bright III, president of Standard Mortgage Corporation in New Orleans, who testified on behalf of the Mortgage Bankers Association (MBA), also contended that hurricane recovery efforts have been hampered by the applicability of the National Environmental Policy Act (NEPA).

Bright said NEPA environmental assessment requirements shouldn't apply to the rebuilding of pre-existing housing.

"What is even more troubling," Bright added, "is that there are broad exemptions and exclusions offered under NEPA for national disaster, yet there is no one federal entity in charge of 'activating' them." He said MBA favors a mechanism whereby the President or another government entity could activate these exemptions or exclusions or otherwise waive NEPA for the purpose of rebuilding pre-existing housing after a disaster.

Mortgage Finance

In the mortgage finance area, MBA wants HUD to accept the conveyance of FHA-financed damaged properties without adjusting the claim for the cost of repairs if there was no failure on the servicer's part to obtain hazard or flood insurance or if the borrower was eligible to apply for CDBG funds but failed to do so.

In addition, if a property is not conveyable because, for example, it has been condemned or demolished, MBA says HUD should be permitted to pay the full claim without conveyance. At this time, according to Bright, MBA doesn't believe HUD has the authority to manage claims in this manner.

MBA is also asking Congress to authorize the Department of Veterans Affairs (VA) to waive the statutory no-bid requirement, allowing the VA to take conveyance of a property and pay the full debt and out-of-pocket expenses in federally declared disaster areas.

COMMUNITY DEVELOPMENT

* $14 Billion Recovery Plan Developed for New Orleans

A citywide plan for the recovery of New Orleans from the devastation of Hurricane Katrina envisions spending upwards of $14 billion over five to 10 years on housing, flood protection, infrastructure, economic development, and other needs, including about $4.1 billion in the first two years.

The Unified New Orleans Plan was developed through a comprehensive process involving neighborhood and district-level meetings in the city and three Community Congresses held simultaneously in New Orleans and other cities across the country.

The team which put together the plan was led by the New Orleans Community Support Foundation and the Community Support Organization, with funding provided by the Greater New Orleans Foundation, Rockefeller Foundation, Bush-Clinton Katrina Fund, and DaimlerChrysler.

According to a summary, the initial focus of the recovery effort will be on stabilizing every neighborhood to make sure that the most heavily damaged infrastructure is repaired, blight is combated, and residents are given voluntary incentives to help protect the investments many have made in rebuilding homes and businesses and to encourage others to return.

Recovery projects will then be phased in over time to match the pace of resettlement.

Elements of Plan

The major elements of the plan include enhanced flood protection, neighborhood stabilization, affordable housing for all, enhanced public services, and state-of-the-art education and health care systems.

Flood protection measures include a voluntary "elevate New Orleans" program to encourage owners to raise their houses to the new Federal Emergency Management Agency (FEMA) base flood elevation (BFE) or higher. The program is intended to fill the financing gap between what FEMA or the Louisiana Recovery Authority (LRA) will pay and the actual elevation costs.

A voluntary slab-on-grade remediation program would help owners of slab-on-grade homes rebuild in a more traditional New Orleans style, either on piers or chain walls or with first-floor basements. This program is also intended to provide gap financing between the cost of an equivalent slab-on-grade home and the cost of a home elevated to the BFE.

Another voluntary program would provide financial assistance to residents and small businesses in areas of the city with the slowest repopulation rates, lowest elevations, and highest risk of future flooding to return and resettle in more sustainable neighborhood clusters. All reconstruction in these clusters would follow FEMA flood guidelines and sustainable/green building practices.

Housing Assistance

The plan also includes a variety of policies, programs, and projects to provide a range of housing assistance to all low- and moderate-income residents, both renters and homeowners.

The plan focuses on what it calls the "unfilled gaps" in current federal and state housing programs. It also is aimed at protecting and enhancing the city's housing stock by rehabilitating underutilized, abandoned, and blighted residential properties.

In addition, the plan calls on federal and local housing authorities to rebuild or rehabilitate enough low-income housing units "to meet the highest sustainable standards, incorporating mixed-income and mixed-uses, and be of a significantly higher density than current HOPE VI policies to establish a critical mass that will support and sustain retail, social services, and community programs."

Plan Financing

The plan acknowledges that the New Orleans recovery effort will require "a comprehensive financing strategy that maximizes the use of all major state and federal post-disaster funding programs and identifies new public and private funding sources and strategies."

The two-year cost of $4.097 billion includes $787.1 million for flood protection, $210.4 million for neighborhood stabilization, $340.8 million for housing, $544.5 million for economic development, $1.028 billion for infrastructure and utilities, and $48.67 million for historic preservation and urban design.

The $14.077 billion price tag for the full plan includes $3.391 billion for flood protection, $1.050 billion for neighborhood stabilization, $821.0 million for housing, $961.0 million for economic development, $2.186 billion for infrastructure and utilities, and $252.3 million for historic preservation and urban design.

The plan anticipates covering the recovery costs with a combination of $11.549 billion in public funds and $2.528 billion from private sources.

The public funding would come from disaster programs, including FEMA public assistance and incremental cost of compliance funds, community development block grants, and FEMA hazardous mitigation grants, and non-disaster funds from federal, state, and local programs.

Projected sources of private funding include foundation grants, corporate gifts, equity investments, loans, and insurance proceeds.

AFFORDABLE HOUSING

Delaware Partners Move Ahead With Condominium Development At Former Manufacturing Plant

The developers of a 71-unit condominium project in Wilmington, Del., are moving ahead with plans to build mixed-income housing at the site of the old Speakman plumbing fixture plant at one end of the Delaware Memorial Bridge, despite a major fire in the building in December.

Speakman Place, LLC, a partnership between nonprofit Cornerstone West and the for-profit Ingerman Group, is razing the landmark building to make way for the new Speakman Place. The project demolition was scheduled to begin in February, and the first home buyers will move into their homes by October 2007.

"Fortunately, all of the work that needed to be done in the building had been completed just prior to the fire," said Paul Calistro Jr., president of Cornerstone West, who said the nonprofit has built about 81 homes in the past five to six years. Cornerstone West is active in providing housing in community revitalization areas.

The site design will take advantage of the panoramic views of the Wilmington skyline. The condo units inside townhouse buildings will have three bedrooms, one and one-half bathrooms, private backyards, and a garage. The interior space will range from 1,500 to 1,600 square feet.

Development Strategy

"We go into areas that are distressed," said Calistro in an interview with HDR. "We infuse capital and build the highest quality housing so the private market will want to go into the area and bring back a distressed neighborhood."

Calistro said that Cornerstone West's strategy is to contribute to truly mixed-income neighborhoods. "We aren't talking about gentrification, but going into neighborhoods that have minimal homeownership rates and get a good mix of homeownership with rental housing and a diversity of incomes," he said.

Market-rate developers are starting their own projects adjacent to Speakman Place, attracted by the Cornerstone West-Ingerman development, he said.

The $14 million development will contain 30 market-rate units which will sell from $180,000 to about $225,000, and 41 units will have a sales price of $180,000, which will be subsidized based on family income.

Subsidized Condos

Of the subsidized units, 12 are for households at 50 percent of area median income and will have a first mortgage of $110,000; 10 units are for families from 51 to 70 percent of AMI, with a first mortgage of $140,000; and 19 units are for families from 71 to 80 percent of median income. Several Wilmington area lenders are offering affordable financing to low-income home buyers.

In addition to income from home sales, funding sources are the Delaware Housing Authority, $1.1 million in housing development program and HOME funds; Federal Home Loan Bank of Pittsburgh affordable housing funds, $500,000; city of Wilmington, $500,000; and Chase, $100,000. The Delaware Department of Natural Resources and Environmental Control provided $2 million for environmental cleanup.

Cornerstone West is exceeding its marketing plan schedule so far, having signed 12 purchase contracts with home buyers in January, before the partnership put out any funds for marketing.

Based on White's notes indicating that Wooten expressed concern about having to pay her mortgage when she refused to rent the apartment, the ALJ concluded that White failed to show by a preponderance of the evidence that Wooten violated Section 3604(c).

The ALJ also refused to allow White to amend her complaint to add a harassment claim under Section 3617 based on allegedly harassing telephone calls to White's grandfather. The ALJ said White knew or should have known of the calls since the beginning of the litigation and therefore should have amended her complaint earlier.

The HUD secretary didn't modify or reverse the ALJ's decision, which became a final order, and White petitioned for review.

Familial Status

In reversing the ALJ ruling on the familial status claim, the court said that White had to show that Wooten's statements in refusing to rent her the apartment indicated a preference, limitation, or discrimination on the basis of her status as a parent with minor children.

"To determine whether a statement indicates impermissible discrimination on the basis of familial status, an 'ordinary listener' standard is used," the court explained. "The inquiry under this objective standard is whether the alleged statement would suggest to an 'ordinary listener' that a person with a particular familial status is preferred or disfavored for the housing in question."

Noting that Wooten told White she would not rent to her as soon as she learned White was an unmarried mother with two children, asking no questions about her financial circumstances, the court said substantial evidence does not support the ALJ's conclusion about the reason for the refusal to rent the apartment.

Marital Status

The court agreed with HUD that the Fair Housing Act doesn't include marital status among the protected classifications. In support of the ALJ decision, HUD noted that Wooten agreed to show the apartment to White when she represented in a subsequent call that she was married with one child.

However, the court said the subsequent conversation didn't change its conclusion that the earlier refusal to rent constituted familial status discrimination. In the earlier conversation, the court said, Wooten stated repeatedly that she would not rent to White because she had children but not a husband.

These statements suggested that Wooten would have been willing to rent to a single woman and that her refusal was based on the fact that White had children, not that she was unmarried.

"We conclude that White has demonstrated that Wooten's statements indicate disfavor for her familial status because her statements would allow an 'ordinary listener' to infer she had a preference against White due to her familial status," the court said.

Accordingly, the court said, substantial evidence does not support the ALJ's conclusion that White failed to establish a violation of Section 3604(c), and it reversed the decision against her on that claim.

The court upheld the ALJ refusal to allow White to amend her complaint, finding no abuse in the ALJ's ruling that White should have acted earlier to seek to add a new claim.

PUBLIC HOUSING

Court Strikes Tenant Termination Provision in Cabrini-Green Decree

The U.S. District Court for the Northern District of Illinois ruled unenforceable a provision in the Cabrini-Green consent decree that grants public housing managers the discretion to terminate any tenant convicted of a felony, finding the provision unreasonable and unrelated to a legitimate housing purpose. *(Cabrini-Green Local Advisory Council v. Chicago Housing Authority, No. 96 C6949, 2007 WL 294253 (N.D. Ill.), January 29, 2007)*

The Cabrini-Green Local Advisory Council (LAC) sought to compel enforcement of the consent decree between LAC and the Chicago Housing Authority (CHA), which set guidelines to allow CHA to redevelop Cabrini-Green and allow LAC to participate and oversee the process.

LAC moved the court to compel enforcement of the decree, but questioned one provision, which requires eviction of a resident who has been convicted of a felony. LAC argued that this provision violates the condition in Section 6(l)(2) of the U.S. Housing Act of 1937, 42 U.S.C.A. Section 1437d(l)(2), that public housing leases "not contain unreasonable terms and conditions" and is contrary to federal law and public policy.

Termination Authority

The court, which issued the decree, retained jurisdiction only to enforce its terms. It noted that "public housing leases are already required to enable property managers to terminate leases based on perceived threats to community safety." The court said the contested language in the consent decree would expand termination authority beyond "drug-related criminal activity" and threats to community health and safety.

The court said that both parties mischaracterized the law and the demands of the lease provision. Plaintiff claimed that the provision requires the eviction of a resident convicted of a felony, when, in fact, the provision allows the eviction of such a person. Defendant claimed that the contested provision is required by federal law, but failed to cite a relevant statute.

The court said the issue was whether CHA may give public housing managers the discretion to evict for any felony conviction or whether that choice violates the prohibition against "unreasonable terms or conditions" or other federal law.

Richmond Case Cited

Citing Richmond Tenants Organization, Inc. v. Richmond Redevelopment and Housing Authority, 751 F. Supp. 1204 (E.D.Va. 1990), which requires that lease terms must be rationally related to a legitimate housing purpose, plaintiff claimed that the lease provision grants an inappropriate degree of discretion to the property manager. Although the Richmond case was not directly on point and was not binding authority on this court, the court nevertheless said it could still give weight to its reasoning.

Based on the Richmond standard, the court said the defendant "completely failed to demonstrate how providing a landlord with the discretion to terminate leases based on [non-threatening felonies] could be 'rationally related to a legitimate housing purpose.'"

While CHA claimed that elimination of the provision would remove an "important tool from the property manager's management portfolio," plaintiff argued that the Quality Housing and Work Responsibility Act (QHWRA) and its legislative history indicate that Congress did not want managers to have the broad discretion afforded them by the contested provision.

Court Ruling

The court agreed with the plaintiff. The clearest "limitation on PHAs contained in the public housing laws is that lease provisions not contain 'unreasonable terms and conditions,'" said the court. "Whatever else 'unreasonable' may mean, it would appear that granting managers the power to terminate leases for felonies irrelevant to any legitimate housing purposes would fall within its scope." The court said that HUD regulations support its view.

The court said that unnecessarily evicting felons from public housing is contrary to public policy. For persons who have completed their sentences, the court said denying them a place to live where their presence does not create an identifiable threat "provides no societal benefit."

The court agreed with plaintiff that the provision violated public housing law. The language is not required by the Housing Act of 1937 or its amendments, and CHA did not advance "a compelling argument that the unnecessarily broad language is reasonable under PHA standards," the court said.

The court granted LAC's motion to enforce the consent decree and ruled that the contested provision was unenforceable in all current and future leases and riders related to this matter.

FAIR HOUSING

Refusal to Renew Section 8 Lease Under Policy to Convert All Units to Market Rent Wasn't Discriminatory

A housing complex that followed a policy of converting all tenancies to market-rate leases did not discriminate against an African-American Section 8 tenant when it gave him notice that it would not renew his lease, ruled the U.S. District Court for the Eastern District of Virginia, Alexandria Division. (*Wadley v. Park at Landmark, LP, No. 1:06cv777 (JCC), 2007 WL 201085 (E.D. Va.), January 24, 2007*)

Plaintiff Scott Wadley, an African-American who claimed he had a disability, was a Section 8 tenant at Park at Landmark, which had a restrictive covenant with the city of Alexandria requiring 20 percent of its rental units to be leased to low-income tenants.

In 2005, Alexandria released Landmark from the covenant, and Landmark's owner made a corporate decision to pursue market-rate tenants and began phasing out low-income tenants by not renewing their leases. Landmark staff prepared nonrenewal notices to Section 8 residents, including Wadley, and Landmark said neither race nor disability played a part in its decision.

Plaintiff converted his lease to a month-to-month lease with a 60-day notice provision. He received his notice, moved out before the lease expired, and brought this action under the Fair Housing Act and the Civil Rights Act of 1866, 42 U.S.C. Sections 1981 and 1982, alleging Landmark discriminated against him on the basis of race and disability. He further alleged that Landmark's phasing out of Section 8 tenants discriminates against African-American tenants because Landmark is replacing them with non-African-Americans. Landmark moved for summary judgment on all counts.

Fair Housing Act

Wadley could establish a prima facie case of discrimination under the Fair Housing Act by showing either discriminatory intent or discriminatory impact. Landmark could overcome a prima facie case by establishing a legitimate nondiscriminatory reason for the challenged practice. In such a case, the court said defendants must prove "a 'business necessity' sufficiently compelling to justify the challenged practice."

The court said Wadley presented no credible evidence of discriminatory intent in Landmark's adoption of the Section 8 nonrenewal policy or termination of his Section 8 lease.

Even if Wadley demonstrated discriminatory intent, the court added, Landmark "more than amply stated a legitimate business purpose for terminating Wadley's lease." A corporate policy required 100 percent mark-rate leases within a year after the city lifted its covenant. The court said summary judgment was appropriate on the issue of discriminatory intent.

To establish a prima facie case of discriminatory impact, Wadley had to show a significant disproportionate impact on African-Americans by offering statistical evidence to show that the challenged practice caused residents to be treated unfairly because of their race.

In this case, the court said, Wadley presented no statistical evidence demonstrating the effect of Landmark's policy on African-Americans or on non-protected groups, even though he had ample opportunity through discovery and affidavits to gather statistical information. The court agreed with Landmark that this lack of statistical information was fatal to Wadley's cause of action. The court granted summary judgment on the issue of discriminatory impact, too.

Civil Rights Act

Regarding Landmark's alleged violations of the Civil Rights Act, Section 1981 requires a showing of intent to discriminate and interference with a contractual interest.

Los Angeles Times
latimes.com

http://www.latimes.com/news/printedition/asection/la-le-monday26.5feb26,1,2102006.story

Mixed-use zoning in downtown L.A.

February 26, 2007

Re "A working downtown," editorial, Feb. 22

A city recommendation to restrict development of downtown industrial land could prove costly to our economy. Much of L.A.'s industrial land has been abandoned since the 1970s because streets are too narrow for modern trucks, sites are too small for large-scale industries and taxes and zoning restrictions make downtown's industrial land more expensive than in neighboring cities.

Since then, the market has realized more productive uses for much of this land, especially in providing mixed-use developments that foster entrepreneurs and creative professionals, who can operate alongside viable industrial uses. These small businesses, coupled with housing, create more jobs, pay higher wages and contribute 300% more in tax revenues to the city than old-economy heavy industry. This new mixed-use environment is serving Los Angeles well. The city's restrictive zoning proposal needs to be rethought so that we can continue to create jobs, build much-needed housing and attract investment.

CAROL E. SCHATZ

President and CEO

Central City Assn.

of Los Angeles

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In City Council District 9, which has a large portion of the city's industrial land, industrial jobs have been declining for decades for reasons that have nothing to do with zoning.

As the center of the region's public transportation system, downtown is the logical place for sustainable growth that allows people to live and work without adding to congestion or air pollution. The availability of public transit downtown provides no benefit to industrial uses. Furthermore, the wages for industrial jobs in Southeast Los Angeles are nowhere near those assumed by city planners; many of these jobs are in the garment industry in facilities just a few notches above the label "sweatshop."

We have an opportunity to create mixed-use development that would provide better-paying jobs and more housing at all income levels. The city could develop downtown zoning and design guidelines that allow for mixed-use projects that combine low- or no-impact industrial uses (such as garment factories) with residential uses.

By requiring a certain percentage of industrial square footage on lower floors and residential above, the city may actually achieve a net gain in industrial square footage because the residential uses could help such projects pencil out. This is actually the more sensible use of restrictive zoning than that which The Times believes should be implemented.

COUNCILWOMAN

JAN PERRY

9th District

Los Angeles

kfwb 2/27/07

County Officials: Over 400 Low-Income Units Approved, Planned

LOS ANGELES - Westside rents have never been affordable but with rents hitting all-time highs, affordable housing activists are looking at Marina del Rey as the next stop in their campaign to make low-income apartments available along prime coastal land.

The Los Angeles Times reports that since the marina is owned by Los Angeles County, county supervisors are in a better position to demand more affordable housing along the water.

In coming weeks, county supervisors are expected to take up the issue that will pit adding apartments for low-income residents against maximizing county profits from the marina.

Meanwhile, the marina is undergoing a building boom. Of the marina's more than 5,000 existing apartment units, 28 are now designated for affordable housing.

When economically feasible, state law requires inclusion of affordable housing in coastal redevelopment.

So far, county officials say 413 low-income apartments have been approved or are planned.

(AP)

Los Angeles Times
latimes.com.

http://www.latimes.com/news/local/la-me-condos28feb28,1,1331416.story

Panels OK rise in fees to help renters relocate

L.A. landlords would have to pay more when they convert apartments to condos. The council must approve the hikes before they take effect.

By Steve Hymon
Times Staff Writer

February 28, 2007

In an attempt to resolve a months-long dispute, two Los Angeles City Council committees Tuesday approved an increase in the relocation fees for tenants who lose their apartments to condominium conversions.

About 11,000 rent-controlled units have been converted in the city over the last five years, leaving many apartment dwellers scrambling to find new places they can afford.

Still, the solutions proposed by the council panels Tuesday seemed to anger both apartment owners and renters, and raised questions about whether unintended consequences could result.

The increases in fees, which building owners pay, are dramatically lower than amounts proposed last month when the same two committees — planning and housing — delayed a decision after heavy lobbying from business interests and apartment owners hoping to link the size of the fees to the neediness of tenants.

The full council must approve the new fees, but the matter probably won't come before it until late March.

In a sign of his frustration over trying to get something on the books, Councilman Herb Wesson implored his colleagues to act more quickly.

"This is a quantum leap over where we were nine months ago, when this [issue] was dumped in my lap," said Wesson, chairman of the housing committee.

The current fees are $3,450 for most tenants and $8,550 for so-called qualified tenants, those older than 62 or disabled.

The new proposed fees would be:

- For tenants who have lived in their apartments less than five years: $6,810 ($14,850 if they are qualified tenants).

- For tenants who have lived in their apartments more than five years: $9,040 ($17,080 if qualified).

- For tenants whose income is less than 80% of the area median income as determined by the U.S. Department of Housing and Urban Development: $9,040 ($17,080 if they are qualified).

One point of debate is whether a needs-based approach would result in landlords renting only to wealthier people so the landlords would not have to pay high relocation fees. That issue gave Councilman Ed Reyes pause, but under pressure from Wesson he voted for the increased amounts with the caveat that the city do regular studies of the fees' impact.

Westside renter Donna Perricone said all tenants should get the same relocation fee.

"The means test is that I'm getting kicked out of my home," she said.

On the other side of the debate, Sherman Oaks apartment building owner Chuck Betz said the increased fees would unfairly punish people such as him. "We don't mind subsidizing the needy, but we do mind subsidizing the wealthy," he said.

Beth Steckler, policy director of the nonprofit Livable Places, a developer of affordable housing, said the fee increases would not address the fundamental housing-shortage problem and would do nothing to stop apartments from being converted or torn down and replaced with condos.

In a related move, the council committees requested Tuesday that the city attorney draw up a law that would allow the city to control the number of apartment buildings that are demolished.

But attempting to control demolitions would probably be controversial, because it could suppress the number of residences built in the city. Planning department statistics show that when a unit is demolished, it is usually replaced with many more units.

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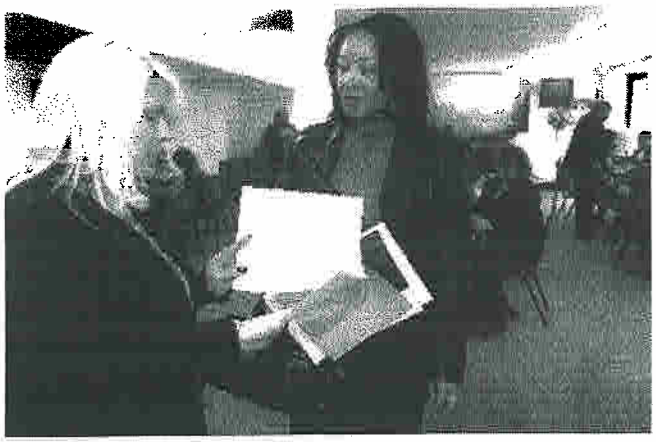
steve.hymon@latimes.com



JOB SEARCH - The Los Angeles County Community Development Commission offered a job fair for housing inspectors, office assistants and case managers to help monitor Section 8 housing subsidies in the Antelope Valley. Irma Ramos from Human Resources, left, answers questions from applicant Denise Banks of Lancaster at the job fair Wednesday at the Lancaster Homes Housing Development Community Center.

KELLY LACEFIELD/Valley Press

Employment seekers flock to Section 8 job fair

This story appeared in the Antelope Valley Press on Thursday, March 1, 2007.

By JAMES RUFUS KOREN
Valley Press Staff Writer

LANCASTER - The Los Angeles County housing authority conducted a job fair Wednesday morning to search for more employees to keep track of Section 8 housing subsidies in the Antelope Valley.

By 10:30 a.m., nearly 30 people had arrived to apply for positions as inspectors, case managers and office assistants within the county's community development commission.

"Right now, we have three positions open," Tracey Curry told applicants Wednesday. Curry is a recruiter with the development commission.

"When the new fiscal year begins, we anticipate future openings."

Emilio Salas, the commission's administrative services director, said more than 100 applications were distributed at the job fair.

Norm Hickling, an aide to 5th District County Supervisor Michael D. Antonovich, said Section 8 inspections are an important issue to the supervisor

"This is one of the things Supervisor Antonovich has continually been asking about, and that's what they're hiring for is inspectors," Hickling said. "The housing authority was delinquent in many of their inspections, and he finds this totally unacceptable."

While the department has just three openings, Curry said Wednesday's job fair would give her a pool of applicants for future vacancies.

Hickling said an audit of the county housing authority is driving the department to hire more inspectors. Salas, though, said the department is not expecting to create new positions, but expects to fill some spots as current employees leave or retire.

Along with getting applications, Wednesday's fair also served to let more people know that the county housing authority has a presence in the Antelope Valley.

"We've advertised for jobs here before, and we didn't feel the response was as good as if we physically came here," Curry said.

Salas said the community development commission and the county housing authority, as well as other county agencies, lack visibility in the Antelope Valley. He said vacancies at the housing authority office in Lancaster have been difficult to fill.

"Our headquarters are here in Monterey Park," he said. "We advertise in the local papers, but sometimes it's difficult for folks to come to our area for interviews and such."

Salas said county agencies might team up for Antelope Valley job fairs in the future.

The housing authority has an office on 15th Street West in Lancaster and will be moving to a new office in Palmdale sometime this summer, Curry said.

Section 8 is a federally funded program, administered by the county, that provides housing vouchers for individuals and families with low income. Recipients of Section 8 vouchers are subject to background checks as well as housing inspections.

Along with housing inspectors, the housing authority has investigators who respond to complaints of criminal activity in Section 8 housing. Hickling said Antonovich is working with the city governments of Palmdale and Lancaster to double the number of Section 8 investigators.

Curry said successful applicants for Section 8 housing inspectors would have at least two years of field experience and the ability to manage time while in the field. Case managers, she said, should have experience dealing with low-income families and individuals and possibly a college degree.

She said she needs to fill one inspector position and one office assistant position by mid-March.

Mark Chapa of Quartz Hill applied for a job at the fair Wednesday.

He used to be a housing inspector with the county and said he enjoyed being able to help people.

"It's nice to provide information to people," Chapa said. "That's what this program is all about: giving people a chance and helping them get on their feet."

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Housing Affairs Letter

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THE INDEPENDENT WEEKLY WASHINGTON REPORT ON HOUSING

WASHINGTON, MARCH 2, 2007 — NO. 07-09

BUDGET

Appropriators Reject HUD Cuts

Asserting his authority over HUD spending early in the FY 2008 appropriations process, HUD appropriations subcommittee Chairman John Olver (D-MA) rebukes HUD Secy. Alphonso Jackson for recommending deep cuts in several housing programs and the Community Development Block Grant program.

With the formal appropriations process traditionally beginning in March every year, Olver wasted no time, calling his panel into session on the first day of the month to emphasize his concern—Olver's home state is in the middle of an affordable housing and public housing crisis, with the state picking up some of the federal government's tab for housing programs to keep them afloat.

Jackson struck a lonely pose—the only witness summoned—attempting to defend cuts he doesn't necessarily support but which are foisted on HUD by the Office of Management & Budget.

Jackson's composure was ruffled briefly in a testy exchange with freshman Rep. Ciro Rodriguez (D-TX) regarding who is more ethnically concerned about housing issues concerning minorities—Jackson, who is black, asserting he is attuned to such concerns while Rodriguez, emphasizing his Mexican heritage, challenges Jackson's commitment to housing issues.

The brief skirmish was gaveled down by Olver, who admonished Jackson for dominating the exchange by not allowing Rodriguez to get a word in edgewise.

But the bottom line of the early appropriations encounter is: The House, at least, won't allow such massive cuts in HUD programs, a move supported by former panel chairman and now ranking Republican Joe Knollenberg (R-MI).

Olver's move is intended to support his state colleague as well. Rep. Barney Frank (D-MA) chairs the Financial Services Committee, the authorizing panel expected to begin budget deliberations March 14.

Olver's public message to Frank is appropriators will find the money to meet what authorizers decide is necessary to fund housing programs adequately.

HUD

Jackson: Advocates Betray Me

Describing a picture vastly different from what has transpired over the public housing conversion to a new operating funding formula and asset management, HUD Secy. Alphonso Jackson tells the House HUD appropriations

Housing Affairs Letter, the independent weekly report, focuses on private, assisted and public housing; with federal legislative and regulatory updates; state and local news; association plans; construction, finance and secondary mortgage market statistics and reports; coverage of your colleagues' programs; and trends affecting your interests in housing.

subcommittee the three primary advocacy groups had betrayed him, primarily by staging end runs to Congress to delay imposition of the rule.

The organizations (unnamed by Jackson)—Council of Large Public Housing Authorities, Public Housing Authorities Directors Assn., and Nat'l Assn. of Housing & Redevelopment Officials—have been pressing Jackson, and subsequently Congress, to delay an April 15 deadline for public housing authorities (PHAs) to comply with the new rule and asset management because of confusion over specifics of the rule.

Asked whether he thinks a suspension is warranted, Jackson replies that he doesn't think there is any confusion.

"I think there has been deception. Not on the part of the housing authorities, but on the part of the leadership of the industry. I've capitulated on many points, but they reneged on their end of the bargain. I've met with then more than any other secretary. When I'm dealing honestly, I expect it back.

"I don't like dishonest people. I'm speaking on the record. I do not appreciate when you negotiate with me and then you cut my throat and stab me in the back. I'm talking to the three industry groups. I know they're in the room. I invite them to say how I've not kept my end of the bargain," Jackson tells the panel.

Jackson's indignation is seen as a result of incessant pressure from PHAs to delay imposition of the new rule and, more recently, the content of a Feb. 27 letter to Olver from PHADA claiming Jackson failed to respond to a January letter from House Financial Services Chairman Barney Frank (D-MA) and Senate Banking Chairman Christopher Dodd (D-CT) urging him to suspend the rule temporarily.

Coincidentally, Jackson sent in his response the same day PHADA issued its letter to Olver.

Anger was immediate. The three groups are preparing a response to Jackson and Congress refuting his allegations.

The operating fund formula and resulting conversion to asset management was recommended in a three-year, $3 million Harvard study commissioned by HUD under a mandate from Congress in 1998 in the Quality Housing & Work Responsibility Act.

Industry groups saw major gaps in the recommendation and asked for negotiations with HUD, which the agency refused until Congress intervened in 2003 and required HUD to negotiate a new rule.

Both sides agreed on the framework of a rule in June 2004 but HUD set it aside immediately under former Asst. Secy. for Public & Indian Housing Michael Liu. Liu, in turn devised a new rule dumping most of the negotiated agreement.

Following Liu's departure from HUD in April 2005, Jackson, under pressure from Congress, restored about 75% of the original agreement.

Industry groups contend the partial restoration denies PHAs up to $400 million in operating subsidies.

CONGRESS

Advocates Prep For Supplemental

With Congress expected to begin writing an emergency appropriations bill as soon as next week to supplement FY 2007 spending, housing advocates get their requests in for extra program money.

The House Appropriations Committee has set a March 7 target date to mark up a measure with a goal of a vote on the House floor the following week in an attempt to clear a bill through both houses before the congressional Easter break.

The Senate expects to mark up its version of the bill March 20 and send it to the floor the last week of the month.

The supplemental will address spending on the Iraq war and hurricane relief primarily. Any spending above the $103 billion ($93.4 billion for the Pentagon) will be included in amendments.

Public housing advocates are expected to request at least $672 million for public housing operations. Public housing authorities received an additional $300 million for operations in the FY 2006 catch-all spending bill approved last month, but advocates say PHAs still operate at 83% of funding needed for basic operations.

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Deluge Of Housing Legislation

With Democrats now in control of Congress, several housing proposals given short shrift under Republicans are expected to receive exhaustive airing this year.

The more recent proposals dropped in the legislative hoppers in both houses include:

- S 669 by Sen. Maria Cantwell (D-WA) would amend the Low Income Home Energy Assistance Act to provide a path for release of low income home energy assistance contingency funding. It is referred to the Health, Education, Labor & Pensions Committee.
- HR 1227 by Reps Maxine Waters (D-CA) and Barney Frank (D-MA) would help provide affordable housing to low-income families displaced by Hurricane Katrina. It is referred to the Financial Services and Transportation & Infrastructure committees.
- HR 1235 by Rep. Nydia Velazquez (D-NY) and eight co-sponsors would amend the Housing Act of 1937 to ensure that operating and capital assistance is provided for certain previously assisted public housing units. Referred to the Financial Services Committee.
- HR 1243 by William Jefferson (D-LA) and two co-sponsors would address redevelopment in areas affected by hurricanes Katrina and Rita for homeowners and small businesses. Referred to the Small Business, Transportation and Financial Services committees.
- S 683 by Sen. Charles Schumer (D-NY) is the Senate's companion measure to HR 1235 (above). Referred to the Banking Committee.
- HR 1250 by Rep. Pete Sessions (R-TX) and six co-sponsors would amend the Internal Revenue Code to repeal some limits on the pricing of certain Sec. 179 (allowing full deduction of property in the year it's purchased rather than through depreciation) property and allow taxpayers to choose shorter recovery periods to determine deductions for property appreciation. Referred to the Ways & Means Committee.

Info: http://thomas.loc.gov and enter bill number

PUBLIC HOUSING

Asset Management Delay Rejected

Telling Congress he's done enough to appease critics of the timetable for HUD's conversion of public housing authorities (PHAs) to a new operating fund formula and asset management, HUD Secy. Alphonso Jackson rejects a request from congressional leaders to delay its application for six more months.

In response to a letter from House Financial Services Chairman Barney Frank (D-MA) to delay the rule until Congress can review it further, Jackson says Congress will have sufficient time for review regardless of his April 15 deadline for compliance.

Jackson tells Frank any delay will imperil the process of improving PHA administration, not improve it.

Info: www.cdpublications.com/docs/1555

Waivers Under Asset Management

HUD explains how public housing authorities (PHAs) can apply for waivers from the application of the new public housing operation fund formula.

PHAs must convert to asset management—application of private-sector property management techniques to public housing properties—by April 15.

Public housing advocates contend that such extensive changes in such a brief period of time require waivers from some HUD regulations.

While HUD's notice doesn't suspend its normal waiver-granting process, it is designed to hasten the agency's response to waiver requests, granted on a case-by-case basis.

HUD says in the notice that it will only consider waivers that meet three criteria:

- The waiver is for a specific regulation, not a statutory requirement.
- The subject of the waiver is not a regulation that repeats a statutory requirement.
- The subject of the waiver is uniquely different from requirements applicable to operators of other HUD-subsidized housing programs.

The new formula, and resulting waiver process, doesn't apply to PHAs with fewer than 250 units which do not elect to convert to asset management, or to Indian and Tribally Designated Housing Entities (TDHE), local tribal governments or PHAs that administer only the Sec. 8 housing voucher program.

Info: *Federal Register*, 3/1p9348

AFFORDABLE HOUSING

NY Real Estate Deal Off

New York: HUD Secy. Alphonso Jackson and former Secy. Andrew Cuomo, now New York Attorney General, halt the sale of the giant Starrett City affordable housing complex in Brooklyn (*HAL*, 2/16p6).

In a joint HUD appearance at HUD Friday, the pair, accompanied by Sen. Charles Schumer (D-NY), said the deal was quashed because of a lack of information about the sale, and the details of the proposal prompting HUD to

ANTELOPE VALLEY PRESS 3/2/07

It's nice to keep (alleged) fraud all in the family

William P. Warford

Columnist
Antelope Valley Press

wwarford@avpress.com

Roscoe Patterson has been arrested more than 15 times.

He was nabbed the other day for alleged possession of dope, but wait until you hear the circumstances. It's a nice reminder during this tax season of where your hard-earned money goes.

Patterson's arrest was part of a Section 8 housing fraud investigation conducted by the city of Palmdale and the Los Angeles County Sheriff's Department.

The house in question, where Patterson was arrested, is a $450,000 home on Cocina Lane in west Palmdale. It is a Section 8 home, which means the federal government pays most of the rent, and the woman on the lease pays a fraction of it.

Funny how many hard-working, tax-paying people can't afford homes on Cocina Lane, but the government finds a way to pick up the tab for some people who live to work the system.

The federal program is administered by Los Angeles County and the rules are simple — no unauthorized tenants can live there, no parolees, no drugs allowed.

At the house on Cocina, there were five authorized tenants living there under the lease and — obviously, with his long record — Roscoe Patterson was not one of the people authorized to live there under the rules of the lease. The woman, the head of the household, was receiving government money known as In-Home Service Subsidy for taking care of her own children, who are said to have asthma.

She receives food stamps, cash grants, welfare and Social Security for two other kids. The taxpayers also pay $1,400 a month rent, to make a nice little benefit package along with the aforementioned amenities.

Why all this government money? Because the father of her children is an "absent parent."

Absent parent? But wait! Three guesses who the father of the children is?

That's right, Roscoe Patterson — the unauthorized tenant who was living at the house. Neighbors told investigators he's been living there since the family moved in, and his 2000 Lincoln Navigator is frequently seen there.

He was there last year, too, when he was arrested at the home for domestic violence. His DMV record says he lives in the home, and so does his booking slip when he was arrested.

That's not all.

Records show the owner of the house is one John Patterson — father of Roscoe and grandfather of the kids living there — who put $150,000 down and collected federal money for the rent while his son and grandchildren got to live there.

It's a great system, isn't it?

The city investigator, Gary Brody, wrote the tenant up for a long list of rules violations and recommended she be terminated from the program. She will have the right to appeal at a hearing.

The investigation is continuing, as they say. Sgt. Kyle Bistline of the Palmdale Sheriff's Station said the effort to weed out fraudulent Section 8 tenants is continuing and going strong. "I think since you (at the newspaper) have been publishing the hotline number we've been getting a lot more tips and that's how we find out about these cases. We need the public's help. If you want to solve this problem

The toll-free hotline to report Section 8 fraud is (877) 881-7233.

you have to get involved and make a phone call," he said.

Bistline said that in February, Brody conducted 13 investigations and recommended 11 tenants for termination. So far in 2007, he's done 22 investigations and written up 19 tenants.

Bistline said more tenants are being terminated now. A couple of years ago, he said, the Section 8 investigators would write up the reports recommending termination and nothing would happen in many cases. The paperwork would get lost. Now, the fraudulent people are being kicked off the subsidy program.

"The thing is, though, some of them just stay," Bistline said. "They can afford to pay the rent themselves so they just stay. Which, obviously, tells you they shouldn't have been there in the first place."

William P. Warford's column appears every Tuesday, Thursday, Friday and Sunday. Contact him at (661) 267-4166; P.O. Box 4050, Palmdale, CA, 93590-4050; or William.Warford@avpress.com.

Bobbette Glover

From: Natalia Macias
Sent: Monday, March 05, 2007 8:10 AM
To: Bobbette Glover; Carlos Jackson; Esther Keosababian; Marcie Miranda; Margarita Gonzalez; Margarita Lares Herrera; Marie Quon; Richard Martinez; Tricia Tasto
Cc: IGR/PI
Subject: FW: CLPHA Update: FY07 Supplemental and FY08 Budget

Attachments: HUDDeadlineExtensionRelease.doc; HUD Asset Management.pdf; FY08 Budget Summary - 02-20-07.doc; Comments on Mixed-Finance PR.doc; HUD Asset Mgmt Response [2.27.07].pdf

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<<HUDDeadlineExtensionRelease.doc>> <<HUD Asset Management.pdf>> <<FY08 Budget Summary - 02-20-07.doc>> <<Comments on Mixed-Finance PR.doc>> <<HUD Asset Mgmt Response [2.27.07].pdf>>
> March 2, 2007
>
> FY 2007 Emergency Supplemental
> CLPHA has been pursuing a legislative strategy on the upcoming 2007 Emergency Supplemental Appropriations Bill. Key Hill staff on both the appropriations and authorizing committees are aware that housing authorities still face dire circumstances with respect to the Operating Fund and even the House Appropriations Committee noted the Operating Fund is still $672 million short of actual need in their summary to the FY07 joint funding resolution. Taking advantage of this potential funding opportunity, CLPHA is proposing significant increases for the Op Fund account to the House and Senate staffs. We are also discussing with Hill staff the possibility of including language to address HUD> '> s implementation of asset management in the supplemental.
> The supplemental is expected to be introduced and marked up in the House on March 8th and in the Senate on March 20th; but, major disagreements looming in the House and Senate - over funding levels for the war, conditions for the funding, and whether to include funding for other domestic issues; i.e., public housing and such - may extend discussion and debate on the supplemental past April 15.
> FY 2008 Budget
> Attached is CLPHA> '> s full summary of the Administration> '> s budget request for FY 2008. As we said in our initial analysis immediately after the budget was released, PHAs would continue to be underfunded in this budget proposal. Although the Operating Fund would see an increase over the FY 2007 level, the Capital Fund would be cut significantly. Also, Section 8 would not receive adequate funding for every voucher in use.
> With the FY 2007 Joint Funding Resolution finalized, the Hill has already turned its attention to the FY 2008 budget. The House held its first hearing on the 2008 budget yesterday with HUD Secretary Alphonso Jackson testifying before the THUD Appropriations Subcommittee. CLPHA staff had met with Hill staff in advance of this hearing and will continue to make the case throughout the budget cycle that PHAs are at a critical junction in terms of funding levels.
> Secretary Jackson stunned many of the committee members and observers at the hearing with his assertion that the three major public housing groups deceived him on an agreement regarding implementation of asset management. We believe the Secretary> '> s outburst reflects his frustration with Congress> '> oversight and dissatisfaction with his implementation of asset management, addition to industry criticism of the department> '> s approach to asset management. In responding to the Secretary> '> s remarks, Chairman Olver (D-MA) offered to meet with the industry groups, and CLPHA is following up on his invitation to meet and discuss asset management as well as other pressing issues.
>
> Asset Management
> Last week, CLPHA participated in a summit hosted by the New Jersey PHAs where Senator Lautenberg announced he was sending a letter to Secretary Jackson requesting an extension to the timeline for implementation of asset management. The letter and a press release

from Senator Lautenberg> '> s office are attached. This letter shows the growing awareness on the Hill of HUD> '> s flawed implementation to date. CLPHA was glad to assist the Senator> '> s office in the preparation of the letter.
>
> HUD has responded to an earlier letter from House Financial Services
> Committee Chairman Frank and Senate Banking Committee Chairman Dodd,
> who also requested a suspension to the implementation of asset
> management. According to Secretary Jackson> '> s response (attached),
> HUD is proceeding with implementation. For the first time, however,
> HUD claims that it intends to undertake formal rule-making on the
> matter of fees. We believe that HUD is planning this rule-making
> because of pressure from the Hill. CLPHA has met with Hill staff and
> asked them to make sure that HUD follows through on its commitment. >
>
> Mixed-Finance Development
> On February 26, CLPHA submitted the attached comments to HUD on the proposed rule to streamline the application process for mixed-finance development of public housing. CLPHA supports the move to streamline this process; however, we believe that further clarifications to the process are necessary for PHAs and their partners to truly benefit from the streamlining.
>

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-0001

THE SECRETARY

FEB 27 2007

The Honorable Barney Frank
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515-6050

Dear Mr. Chairman:

Thank you for your letter of January 16, 2007, requesting suspension of the implementation of public housing's conversion to asset management until you have had an opportunity to look into the issue further. With this response, I respectfully suggest that your respective committees will have more than a year to review key elements of the overall asset management conversion program (Federal Register Notice FR-5099-N-01, published September 6, 2006) while the Department necessarily proceeds with the financial reporting component.

When the Department published the final Operating Fund rule, and subsequent interim guidance, the Department also established a phased four-year implementation plan to commence in 2007. Over the last five months, the core concern that has emerged is one related to how "reasonable" management fees to pay for central office overhead will be established.

It is extremely important to note that the interim guidance, among many things, expressly provided that new management fee requirements are not applicable in the first year of project-based budgeting and accounting (that year ending on June 30, 2008). It is our intention that a formal rule-making process to specifically focus on the matter of fees under asset management be initiated to allow for broad public input on this important subject. We would welcome the prospect of congressional hearings to examine the issue of management fees in detail.

In the overall conversion to asset management, one of the first prerequisites is project-based budgeting and accounting. That requirement shall become effective for public housing agency (PHA) future fiscal years beginning July 1, 2007. It is essential that we continue on the track to project-level financial reporting, which can proceed while we undertake the broader discussion over management fees. It is our view that the Department should proceed with overall implementation, while inviting additional dialogue and input when it comes to specific application of management fee rules that would be phased in no earlier than July 2008.

Further, I would like to briefly summarize some of the ways the Department has responded to PHAs and those representing their interests since the final rule and interim guidance were published.

First, I delayed the new Operating Fund formula from Calendar Year (CY) 2006 to CY 2007. Second, I twice extended the deadline for submission of stop-loss applications. Third, to ease concerns regarding decliner agencies, I initiated rulemaking to modify the transition schedule to limit losses in the first year to 5 percent.

As a former public housing director, I am particularly sensitive to creating undue administrative burdens on PHAs. The final rule on the Operating Fund program, negotiated with PHAs and industry groups, requires PHAs to adopt management practices that are consistent with the norms in multifamily housing. Our guidance follows that basic principle. Indeed, if I were to manage a PHA today, I would greatly welcome the new freedoms surrounding the deregulation of fee income.

Please rest assured, we will continue to seek broad industry input on the implementation of asset management and, especially, over the issue of management fees, and we would welcome the attention and input of both your committees on this subject. However, I hope you will agree that further delay to the start of project-level financial reporting while deliberations continue over management fees would imperil the process of improving PHA administration, not help it.

Thank you again for your interest in asset management. I look forward to working with you on this and other housing matters during the 110th Congress.

Sincerely,

Alphonso Jackson

Alphonso Jackson
Secretary

FRANK R. LAUTENBERG
NEW JERSEY

COMMITTEES:
APPROPRIATIONS
BUDGET
COMMERCE, SCIENCE, AND TRANSPORTATION
ENVIRONMENT AND PUBLIC WORKS

United States Senate

WASHINGTON, DC 20510

February 23, 2007

The Honorable Alphonso R. Jackson
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, SW
Washington, D.C. 20410

Dear Secretary Jackson:

As you know, Public Housing Authorities (PHA) are under a strict HUD-imposed deadline to convert their accounting method to an "asset management" system or face Federal financial penalties in January. The PHAs in my state understand the need for an asset management system, but have not, in my view, received adequate technical assistance to date by HUD to justify any financial penalty. Therefore, I ask that you suspend the imposition of these penalties immediately.

The "asset management" guidance issued by HUD was late in coming and confusing when released. The late release of the guidance has greatly limited the time that PHAs have to plan their transition to asset management. Also, HUD released contradictory notices and proposed rules, which further hampered PHAs' planning efforts.

While most housing authorities agree that a transition to asset-based management makes sense for the public housing program, PHAs have not had timely and accurate guidance and technical assistance to implement this system. I urge you to extend the implementation deadline to assist public housing authorities in meeting the needs of the individuals and families they serve.

Sincerely,

Frank R. Lautenberg

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Frank R. Lautenberg
UNITED STATES SENATOR FOR NEW JERSEY

FOR PLANNING PURPOSES:
Wednesday, March 14, 2007

CONTACT:
Alex Formuzis 202.224.7340
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LAUTENBERG CALLS ON HUD SECRETARY TO EXTEND DEADLINE ON HOUSING AUTHORITIES

NEWARK, N.J. – During a meeting of regional Public Housing Authorities today, United States Senator Frank R. Lautenberg (D-NJ) called on the Secretary of Housing and Urban Development (HUD) to help thousands of families across New Jersey by extending a deadline that could result in Housing Authorities losing critical funding to operate public housing units in the state.

Currently, Public Housing Authorities (PHA) are under a strict HUD-imposed deadline to convert their accounting method to an "asset management" system or face potentially millions of dollars in Federal penalties starting in January 2008.

"This deadline is unreasonable. Public Housing Authorities are having difficulty getting the information they need from HUD to implement these new rules," said Lautenberg. **"HUD needs to extend this deadline."**

"The PHAs in my state understand the need for an asset management system, but have not, in my view, received adequate technical assistance to date by HUD to justify any financial penalty. Therefore I ask that you suspend the imposition of these penalties immediately," wrote Lautenberg in his letter to HUD Secretary Alphonso Jackson.

A copy of the letter is attached to this release:

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SECTION 8

New York City Opens Voucher Waiting List First Time in 12 Years

The New York City Housing Authority (NYCHA) reopened its Section 8 waiting list for the first time in 12 years after announcing it has about 22,000 additional vouchers available for very-low-income families due to increased funding from the fiscal 2007 appropriations and changes in city homeless assistance.

In December 1994, NYCHA closed its Section 8 waiting list except for emergency applicants because of a decline in federal funding. NYCHA said that the 22,000 additional funded vouchers, an estimated 12,000 this year and 10,000 next year, are available because of changes at the local and federal level. Section 8 applications are being accepted for a three-month period from February 12.

Federal funding for NYCHA's Section 8 voucher program was increased by almost $100 million for the 2007 program year, the result of increased appropriations.

The availability of vouchers is also a result of changes in the city's housing policies. For much of the past decade, Section 8 vouchers were distributed to families leaving homeless shelters to secure permanent housing.

In 2004, the city created the Housing Stability Plus program, a rental assistance program for families leaving homeless shelters. Since that time, Housing Stability Plus has helped nearly 10,000 families that otherwise would have received Section 8 assistance.

Voucher Priorities

About 3,000 of the additional vouchers will be targeted specifically to households at risk of homelessness. The NYCHA said that Section 8 vouchers will continue to be made available on a priority basis to domestic violence survivors, families reunifying from foster care, and intimidated witnesses.

In addition, 200 vouchers have been set aside for individuals who are chronically homeless and are not part of the shelter system.

The housing authority said it has begun a comprehensive effort to identify and find people who signed up for Section 8 vouchers as long ago as 1993 and who are no longer reachable at the address or telephone numbers given when they were added to the waiting list.

Any of these households who are identified will remain eligible and will be given priority for the additional vouchers.

New York Mayor Michael Bloomberg said the additional vouchers will "help families struggling to make ends meet." Bloomberg added that "continued federal support for Section 8, as well as public housing, is critical to ensuring people from all backgrounds can raise families in New York City."

NYCHA administers about 83,000 vouchers which provide housing for more than 270,000 New Yorkers. Over 30,000 private landlords accept Section 8 vouchers.

PUBLIC HOUSING

PHAs Can Seek Expedited Waivers For Transition to Asset Management

HUD has announced an expedited waiver process for PHAs seeking assistance with the transition to public housing asset management.

A notice outlining the process, which applies only to non-statutory regulatory requirements, was published in the March 1 Federal Register.

Under the expedited process, HUD will review and either approve or disapprove a waiver request within 30 days of receipt of a complete submission package. The department reserves the right to withhold or reject a waiver request due to a PHA's operating performance or other matters.

Intent of Expedited Process

According to HUD, the expedited process is designed primarily to address public housing regulatory requirements that are "uniquely different" from requirements applicable to operators of other HUD-subsidized housing programs.

As examples of such requirements, the notice cites the public housing assessment system (PHAS) management operations certification and resident satisfaction survey, for the final year before conversion to project-based budgeting and accounting; resident participation requirements not mandated by law; and annual inspections in accordance with the Uniform Physical Condition Standards (UPCS).

A PHA would still be required to conduct annual inspections, but the waiver could allow such inspections to be conducted in accordance with laws, standards, or state or local codes that HUD determines meet or exceed the UPCS.

(For further information, contact Gregory A. Byrne, 202-475-8632.)

RURAL HOUSING

RHS Soliciting Proposals for Section 538 Guaranteed Loans

The Rural Housing Service (RHS) is soliciting proposals from lenders for fiscal 2007 Section 538 guaranteed multifamily loans, which can be used for the development of affordable rental housing, the acquisition and rehabilitation of affordable rental housing, and the revitalization, repair, and transfer of Section 515 projects.

The notice requesting proposals was published in the February 26 Federal Register. The RHS said it will issue a notice of funding availability (NOFA) once it determines the amount of fiscal 2007 funding for Section 538.

The RHS will review and score all responses received by April 27. Responses that are selected, submit complete applications, and meet all federal environmental requirements will receive commitments until all funds are expended.

Responses will be scored according to seven priority tion more than HANO's plans to replace the public housing projects with mixed-income developments.

However, the court ruled that the plaintiffs do have a private right of action to pursue claims against HUD and HANO for violation of the requirement in Section 3608 to affirmatively further fair housing policies.

Other Issues

The plaintiffs also contended that HANO's failure to repair their units constituted constructive eviction. Finding that the question of whether HANO or Hurricane Katrina is responsible for the current state of the housing must be decided by the trier of fact, the court declined to grant summary judgment on this claim.

The court found that the plaintiffs have stated a claim against HANO for relief under the lease, which requires replacement housing to be offered if the current dwellings cannot be repaired "within a reasonable time." However, the court said the issue of what constitutes a reasonable time cannot be resolved in a motion for summary judgment.

The court also found that the plaintiffs can pursue their due process claims relating to the habitability of their former units and the adequacy of their alternative voucher assistance.

The court dismissed the plaintiffs' equal protection claims and their claims for violation of international law, specifically the Guiding Principles of Internal Displacement (GDIP). The court said the GDIP is not a treaty and does not have the force of law.

SECTION 8

Landlord Who Failed to Provide One-Year Notice May Not Evict Tenants or Raise Rent Payments

A Section 8 landlord who failed to provide the requisite statutory notice to his tenants may not evict them or raise their monthly rent payment, ruled the U.S. District Court for the Northern District of California, Oakland Division. (*Park Village Apartments Tenants Association v. Mortimer Howard Trust, No. C 06-7389 SB., Docket No. 10, 2007 WL 519038 (N.D. Cal.), February 14, 2007*)

Tenants in the Park Village Apartments, a rental housing community for low-income senior citizens, brought an action against the owner, Mortimer Howard Trust and its trustee, Mortimer Howard (together, Howard), seeking to enjoin them from raising rents or evicting them. The tenants' association also joined in the suit.

In July 2005, Howard asked the California Affordable Housing Initiatives (CAHI) for an operating cost adjustment factor (OCAF) rent increase of $22 and for a two-year renewal of the existing housing assistance payments (HAP) contract, which was due to expire in November 2005.

A few days before the contract expired, Howard sent a letter to the tenants to comply with the statutory one-year notice before the next contract expired, indicating that Howard intended to renew the contract. Although CAHI eventually approved the rent increase in December, the HAP contract expired in November. HUD stopped making subsidy payments, and the tenants continued paying their old rents.

Proposed Renewal

Beginning in December, Howard, through counsel, began an extended negotiation with HUD regarding specific terms in a proposed HAP renewal contract and rent schedule. He also initiated a series of letters to tenants about the status of the expired HAP contract, loss of HUD subsidies, and tenants' obligation either to vacate or to pay the full rent.

In March 2006, Howard sent a letter to all tenants that the statutory 12-month notice period will be deemed to have commenced when the HAP contract expired the previous November. The next month, HUD notified Howard that his notice did not satisfy statutory notice requirements to the tenants and HUD regarding termination of the HAP contract. In addition, HUD told Howard that legally, he could not evict tenants or raise their rent based on the expired contract.

Nevertheless, Howard sent each tenant a 90-day lease termination in October 2006, giving each tenant a choice to pay the full rent or vacate. HUD expressed concern that Howard was unwilling to renew the HAP contract and reiterated its intention to enter into a retroactive HAP contract, with an increased rental amount.

Preliminary Injunction

To obtain a preliminary injunction, the court said plaintiffs had to show either a combination of probable success on the merits and the possibility of irreparable injury or that serious questions are raised and the balance of hardship tips sharply in their favor.

Under Section 8(c)(8)(A), 42 U.S.C. Section 1437f(c)(8)(A), at least a year before the termination of a HAP contract, an owner must give tenants and HUD notice about his intention to terminate or renew the contract. If the owner does not provide the requisite notice, he may not evict tenants or increase their rental payment until he gives the notice and a year elapses.

Howard contended that the statutory notice provisions do not apply because he intended to renew the contract, but HUD let it lapse. The court said the argument fails because two different events constitute termination and trigger notice requirements: the expiration of a contract or the owner's refusal to renew. Therefore, notice was required.

The court said that Howard also fundamentally misunderstood his statutory obligations. They did not expire when the HAP contract did. "The statute demands that a one-year notice be given," as long as an assistance contract existed, said the court.

Statutory Requirements

Howard admitted that none of his letters to the tenants contained the required statutory language, but he argued that the letters substantially complied with the notice requirements. The court said that was inadequate. Examining the specific language of each letter, the court agreed with the tenants that none conformed to the statutory requirements about the owner's intention or the one-year notice.

Howard disputed the tenants' argument that they face irreparable harm, emphasizing that they have access to vouchers and failed to show a lack of subsidized housing in the area.

The court agreed with the tenants that "mere access to vouchers" did not guarantee that they could use them to stay in their homes, especially because Howard indicated he does not want to continue to provide low-income housing. The court also noted that many of the tenants are elderly, frail, in poor health, and live on fixed incomes. The court concluded that federal law grants tenants the right to a specific amount of notice. "If that notice is not provided, it is difficult to see how the tenants can be compensated in terms of damages," said the court.

The court granted plaintiffs' motion for preliminary injunction and exercised its discretion to waive the bond requirement.

FAIR HOUSING

Restrictions on Use of Home For Individual with Disabilities Violated Fair Housing Act

Restrictions on the use of a single-family home to provide a residence and continuous supportive services for an individual with disabilities "violated both the spirit and intent" of the Fair Housing Act, the U.S. District Court for the Western District of Pennsylvania ruled. *(Sharpvisions, Inc. v. Borough of Plum, No. 06cv0580, 2007 WL 474032 (W.D.Pa.), January 26, 2007)*

Sharpvisions, Inc., which provides residential services to persons with disabilities, acquired a home in an R-2 zoning district in Plum Borough. One disabled man moved into the home as the only resident, although Sharpvisions employees were also at the home on a 24-hour-a-day basis to provide assistance.

A single-family dwelling is a permitted use as of right in an R-2 zone, and a group home is a permitted conditional use. The definition of family includes up to five unrelated persons living as a single housekeeping unit, including household servants employed exclusively on the premises.

A group home is defined as a dwelling facility operated for not more than 10 persons plus staff, living together as a single housekeeping unit.

The borough's zoning officer and zoning hearing board ruled that Sharpvisions could not operate the home as planned without obtaining conditional use approval for a group home. Rather than go through that process, Sharpvisions filed the instant suit alleging a number of civil rights violations, including violations of the Fair Housing Act's ban on discrimination against the disabled.

Court Ruling

The court first held that the plaintiff has a ripe cause of action and does not have to pursue other remedies, such as conditional use approval for a group home.

"[T]o require plaintiff to return to state court to file a request for conditional use approval or a variance would effectively leave plaintiff without a vehicle for testing the necessity of the conditional use approval process and whether that restriction constitutes a violation of the [Fair Housing Act]," the court said.

Turning to the substance of the case, the court noted that a plaintiff may bring a claim for discrimination on the basis of disability under three legal theories — disparate treatment, disparate impact, and failure to reasonably accommodate — and it found for Sharpvisions under all three.

Disparate Treatment

The court explained that disparate treatment under the Fair Housing Act may be shown by demonstrating that a legislative provision discriminates against the disabled on its face; proof of malice or discriminatory animus isn't necessary.

If the plaintiff establishes that an ordinance is facially discriminatory, the burden shifts to the defendant to justify the disparate treatment by showing that no less restrictive course of action could be taken. The burden then shifts back to the plaintiff to show that other action in fact could be taken.

In this case, the court said, there is no dispute that there has been only one resident in the home, that the home is operated as a single household unit, and that the group living arrangements excluded from the definition of family are inapplicable.

Citing its previous ruling in Barber Center v. Peters Township, 273 F.Supp.2d 643 (2003), which specifically held that an ordinance which limits the number of unrelated persons living together is facially discriminatory, the court also found the Plum Borough ordinance facially discriminatory.

The court also held that requiring a person with disabilities to go through special procedures to live in the home of his or her choice falls under the anti-discrimination provisions of the Fair Housing Act.

Since the defendants have not justified the burdens imposed on the creation of single-family homes for persons with disabilities, the court concluded, the plaintiff has established its claim of discrimination based on disparate treatment.

Disparate Impact

The court also found that the borough's policies restricting the establishment of homes for single disabled persons "undoubtedly have a disparate impact on individuals with disabilities."

Since defendants have failed to provide any evidence to justify the burdens placed on the plaintiff, the court also concluded that the ordinance has a disparate impact on individuals with disabilities.

The plaintiff also alleged that the defendants failed to reasonably accommodate its provision of community-based housing for persons with disabilities by refusing to afford the plaintiff family status for its home.

The court agreed with the plaintiff that the accommodation was necessary to allow its resident to have the

LA's Homeless Blog

Wednesday, March 07, 2007

Billion Dollar Mayor Will Push For Another Housing Bond

L.A. Mayor Villaraigosa said he would push for another Housing Bond to fund affordable housing in Los Angeles. Last November, a $1 billion Housing Bond failed. Although 62% of the voters supported the bond, it was 4% short of passing.

But the cause of providing more affordable housing for Los Angeles residents is still alive. The mayor did not say how the bond would be funded.

Although experts say that the County of Los Angeles needs to spend $1.5 billion per year for ten years in order to effectively address homelessness, a $100 million bond each year for ten years is still a big step toward housing our citizens who are living on our streets.

Perhaps the County of Los Angeles would match this pledge ($100 million per year for ten years), and the private community would add a similar amount. Then we are seriously looking at resolving homelessness.

posted by LA's Homeless Blog @ 6:20 PM

ms

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Marina Housing
Date: 03-06-2007 4:35 AM - Word Count: 295

Marina Housing

Eds: The Board of Supervisors will meet at 9:30 a.m., Kenneth Hahn Hall of Administration, third floor hearing room, 500 W. Temple St.

LOS ANGELES (CNS) - Affordable-housing activists today will appeal a decision by the Regional Planning Commission that allows developers to tear down a 202-unit apartment complex in Marina del Rey and build a 544-unit complex in its place.

In December, the Regional Planning Commission approved an application by Del Rey Shores to build 12 seven-story buildings at 4201 Via Marina.

Initially, the developer agreed to pay a fee instead of building the requisite affordable housing units, but later consented to provide 17 units for very low income tenants and 37 units for moderate income tenants.

The community group People Organized for Westside Renewal and Richard I. Fine, an attorney who represents the Marina Strand Colony II Homeowners Association, both appealed the decision.

POWER members argue the project does not provide enough affordable housing.

In a letter to the Department of Regional Planning, Fine argued the project will contribute to traffic congestion and have an adverse effect on the environment.

The marina is owned by Los Angeles County, which leases it to developers, and therefore county supervisors are in a position to demand more affordable apartments.

The marina is undergoing a building boom, as developers replace 2,000 aging units and add 1,251 new units. Of the marina's current 5,323 apartment units, 28 are designated for affordable housing.

State law requires inclusion of affordable housing in coastal redevelopment, when deemed economically feasible. Those units limit the profits of both developers and the county, which receives 10.5 percent of all apartment rents in the marina.

The Board of Supervisors will meet at 9:30 a.m. at the Kenneth Hahn Hall of Administration.

CNS-03-06-2007 04:35

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Los Angeles Times
latimes.com

http://www.latimes.com/news/local/la-me-marina7mar07,1,3693020.story

Bucking activists, L.A. County OKs Marina apartment project

Affordable-housing advocates are upset that more lower-income units were not mandated for the complex, which will replace an existing one.

By Jack Leonard
Times Staff Writer

March 7, 2007

Rejecting calls for a more aggressive push to add low-income housing in Marina del Rey, Los Angeles County supervisors Tuesday unanimously gave a green light for plans to redevelop a major apartment complex on publicly owned land near the waterfront.

The decision deals a blow to affordable-housing advocates who had pressed the county to require more low-income apartments than proposed for the site. The vote also sets the tone for a debate expected later this month on how to rewrite the affordable-housing policy for the Marina.

"We are extremely disappointed," said Susanne Browne, a senior attorney at the Legal Aid Foundation of Los Angeles, representing affordable-housing advocates. "It's a huge lost opportunity for residents in the Marina, especially those who are going to be displaced by this development."

The developer, Del Rey Shores, plans to begin tearing down its 202-unit complex on Via Marina in the summer and replacing it with a 544-unit development.

All the units in the existing buildings are rented at market rates. The new complex will include 17 apartments for "very low income" tenants and 37 for "moderate income" renters.

Activists argued that it should include an additional 34 "very low income" units. Rents for apartments considered affordable housing are capped at a rate that takes into account the size of the unit and the household income of the tenants.

The developer said that adding more low-income housing would cost the county millions of dollars. Because the county owns the land, it receives 10.5% of the rents as part of its lease agreement with developers.

The county can use the income to supplement law enforcement, healthcare and other services for residents throughout the county. The county receives about $35 million a year from Marina rents.

"As this board knows, county resources are not limitless," said Dale Goldsmith, a lobbyist representing Del Rey Shores.

Supervisors barely discussed the issue of affordable housing, despite passionate pleas from some Marina residents.

Marlene Sadan, 69, said she can no longer afford her two-bedroom apartment in Del Rey Shores since her husband died in November. She said she pays $1,675 in rent but survives on $1,295 in monthly Social Security payments and what little she can make as a substitute preschool teacher when she can find work.

"There's no affordable housing to be found anywhere," she said, sobbing. "How would you like to be in my shoes? What would you do? Remember me and all the people like me when you make your decision."

State law requires inclusion of affordable housing in coastal redevelopment when deemed economically feasible. In the past, the county has allowed developers to pay large fees to build affordable housing elsewhere in lieu of providing it in the Marina. But the county is weighing a new policy that would end that practice.

David Sommers, a spokesman for Supervisor Don Knabe, whose district includes the Marina, said Knabe "is adamant that affordable housing is critical to any project in the Marina. But the county does also have an obligation to the taxpayers and the residents in the rest of the county that benefit from the revenue that comes out of the Marina."

Del Rey Shores must still obtain final approval for its designs before it can break ground.

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jack.leonard@latimes.com

CSAC CALIFORNIA Counties LEGISLATIVE BULLETIN

Friday, March 9, 2007 VOLUME 107 NUMBER 7

News & Advocacy

March 09, 2007

CSAC Meets With Federal Lawmakers

Leadership Promotes Priority Issues for 2007

Leaders of CSAC were in the nation's capital this week to meet with key members of the California congressional delegation and the Bush administration. The association's representatives – along with dozens of other California county officials – were in Washington, DC for the National Association of Counties' (NACo) annual Legislative Conference, which was held March 3-7.

The CSAC contingent – led by Madera County Supervisor and CSAC President Frank Bigelow – met with lawmakers and White House officials to discuss the association's top federal legislative priorities for 2007. The issues that were discussed with key policymakers included the Secure Rural Schools and Community Self Determination Act, Medicaid funding, reauthorization of the State Children's Health Insurance Program, and funding for the child support enforcement program. CSAC leaders also discussed funding for the State Criminal Alien Assistance Program, the Community Development Block Grant, and Homeland Security. Additionally, CSAC representatives discussed several issues related to Indian Gaming, the reauthorization of the Water Resources Development Act, and telecommunications reform.

As part of this year's agenda, CSAC hosted its first annual congressional breakfast at the U.S. Capitol building. The event featured presentations by a number of key members of the state's congressional delegation, including Senator Barbara Boxer (D-CA), the chair of the Senate Environment and Public Works Committee. Attendees also heard from Representative Zoe Lofgren (D-CA), the chair of the California Democratic Congressional Delegation.

Also addressing CSAC officials at the breakfast were Representatives George Radanovich (R-CA), Gary Miller (R-CA), Barbara Lee (D-CA), Hilda Solis (D-CA), and Mike Honda (D-CA). The members discussed a number of key issues of interest to California's counties, including funding for health care reform and implementation of a surface transportation pilot demonstration program.

CSAC members also heard from Tim Ransdell, the executive director of the California Institute for Federal Policy Research. Ransdell discussed several items of interest to California's counties, including the state's balance of payments with the federal treasury.

In addition to the members that attended the CSAC breakfast, association leaders met separately with Representative John Doolittle (R-CA), a key member of the House Appropriations Committee, and Representative Devin Nunes (R-CA), a member of the powerful House Ways and Means Committee. The CSAC leadership team also had a productive meeting with key staff to House Speaker Nancy Pelosi (D-CA), as well as a meeting with staff to Senator Dianne Feinstein (D-CA). The group also met with an aide to Representative David Dreier (R-CA), the chair of the California Republican Congressional Delegation, and the top staffer to Representative Lucille Roybal-Allard (D-CA), a member of the House Appropriations Committee.

AB 171, as introduced, seeks to expand eligibility to another vital public interest law discipline: county counsels. In addition to serving the important governmental function as the chief legal advisor to a county on civil matters, county counsel also deliver critical, direct services to members of the public. The county counsel's office performs critical and much needed legal services in the areas of conservatorships, probate, mental health, and child protection proceedings. County counsels also are called upon for their expertise in a range of complex areas of the law – all in the service of county governments. These areas include health, personnel and human resources, land use and real estate transactions, elections, and taxation.

CSAC believes there are clear and legitimate reasons for extending eligibility to county counsels. Their inclusion in the LRP will help address recruitment and retention challenges faced by counties across the state and will recognize the county counsel contribution to public interest law. This measure would also yield another important benefit for county counsels. Certain public and private law schools administer their own LRPs, and frequently these institution-based programs rely on statutory definitions for purposes of determining eligibility. Broadening of eligibility to name county counsels in Education Code Section 69740 would extend well-deserved opportunities to attorneys dedicated to public service.

CSAC also commits to working with all interested parties to secure funding to support the existing, but as-yet-unfunded Public Interest Attorney LRP. We intend to pursue that objective on a separate path to augment the legislative effort to incorporate county counsel in the list of public interest attorneys.

We urge other counties to join CSAC in support of this measure, which is set for hearing in the Assembly Higher Education Committee on March 27.

SB 481 (Runner) – Watch

Senator George Runner has introduced SB 481, a measure that would create the Public Safety Incentive Program, a parallel loan repayment program for district attorneys and public defenders, two disciplines that already are included in the existing LRP described above. SB 481 proposes to increase the maximum loan assistance equal amounts over a five-year period to up to $40,000 over a five-year period. The current program contained in Government Code Section 69740 establishes a repayment schedule of $11,000 over four years. This measure awaits hearing before the Senate Education Committee.

Fine and Forfeiture MOEs
AB 227 (Beall) — Co-sponsor

As detailed in previous Bulletins, AB 227, by Assembly Member Jim Beall, would make permanent adjustments to counties' fine and forfeiture maintenance of effort (MOE) obligations, based on reductions resulting from two previous legislative measures. Counties will recall that AB 139 (Chapter 74, Statutes of 2005) codified a negotiated resolution regarding undesignated court-related fees and, among other items, established a process for determining a county buyout of civil assessment revenue. Pursuant to AB 145 (Chapter 75, Statutes of 2005), the Uniform Civil Fees (UCF) and Standard Fee Schedule Act of 2005, counties received a buyout of the county portion of certain fees designated by AB 233, the Trial Court Funding Act of 1997. AB 227 would simply codify each county's fine and forfeiture MOE obligation, adjusted for any reductions resulting from the collective application of AB 139 and AB 145.

AB 227 clarifies that the distribution of the fine and forfeiture revenue collected above the MOE threshold would continue to be calculated on previously established MOE levels, not the adjusted amounts to be codified by this measure. This measure reflects agreements arrived at between local courts and counties regarding appropriate buyout levels and will offer counties greater clarity and certainty when processing quarterly MOE payments. The bill is set for hearing on March 27 in the Assembly Judiciary Committee. Counties are encouraged to join in supporting this effort.

Brown Act
SB 343 (Negrete McLeod) — Request for Comment

Senator Negrete McCleod, who chairs the Senate Local Government Committee, has introduced a bill relating to the Brown Act. This measure, as introduced, limits its application to housing development projects that come before a local agency. It is the intent of the author and sponsors — the California Association of Realtors — to extend the scope of the measure to encompass all staff reports on local agency agendas.

As proposed to be amended, SB 343 will seek to require for any item appearing on a posted agenda for discussion or consideration at a pubic meeting that "all writings and documents [...] prepared by a local agency or its employees or agents latimes.com Los Angeles Times

http://www.latimes.com/news/local/la-me-supes11mar11,1,5139379.story

LOS ANGELES COUNTY SUPERVISORS

L.A. Board of Supervisors to try sharing power

The five officials will give an appointed administrator more clout.
By Susannah Rosenblatt
Times Staff Writer

March 11, 2007

Squirreled away on the top floor of the drab, eight-story Hall of Administration downtown, Los Angeles County's five supervisors work in a building suggestive of the government they were elected to run: sprawling, confusing to navigate and somewhat dysfunctional.

In office together for nearly 11 years, the supervisors — three Democrats and two Republicans in the officially nonpartisan posts, one a black woman, one a Latina — wield enormous power.

As members of the county Board of Supervisors, Mike Antonovich, Yvonne Brathwaite Burke, Don Knabe, Gloria Molina and Zev Yaroslavsky oversee a government responsible for scores of services, including courts and jails, hospitals and public health, and adoptions and foster care. Their constituents are the 10 million residents of the nation's most populous county.

Now the board is poised to take the extraordinary step of ceding some of its power to an appointed chief administrative officer. The supervisors' 4-to-1 vote Feb. 13 set in motion the shift of some authority. Although it would require approval from voters to become permanent, the move was a board majority's acknowledgment that the county system needs an overhaul.

"What we have to do is solve a problem right now," Burke said at a recent meeting. "If you want to say we don't have a problem, you have something over your head, a bag over your head."

County department heads report directly to the elected supervisors, who can fire them, leaving the top administrator with diluted authority. Supervisors generally have avoided interfering in each other's districts — each with about 2 million residents.

The responsibility for many departments falls to all five supervisors, but some duties are divvied up among them for organizational reasons.

"There is no one person in the county who's responsible for the functioning of county government," said Yaroslavsky, the board chairman. "We have a system that values gridlock and abhors decisiveness."

He and Knabe led the charge for a more powerful chief executive, who would oversee department heads and have hiring and firing ability, albeit subject to board approval.

The change comes after the board struggled to find a candidate to replace retiring Chief Administrative Officer David E. Janssen. Few eligible people seemed interested in a job with muddled authority to run a county with seemingly intractable problems — among them, the largest homeless population in the nation, a health services department on the brink of financial collapse, crowded jails and a system for juvenile offenders that is under fire from the federal government. Two people who were offered the chief administrative job turned it down.

Among the county's most persistent problems was Martin Luther King Jr./Drew Medical Center near Watts. Plagued with years of mismanagement and dangerous lapses in patient care, the hospital nearly lost its federal funding when it failed a key inspection last fall. Forced into action, the board downsized the hospital and put it under the management of another county hospital; it has been renamed Martin Luther King Jr.-Harbor Hospital.

Not long before they embarked on the restructuring, all five supervisors agreed to rare sit-down interviews. From those conversations emerged a portrait of five elected officials with distinct ideologies, management styles and personalities.

Burke and Knabe are chiefly concerned with constituent services, such as neighborhood improvements. Molina and Yaroslavsky look more at bigger-picture issues. Antonovich, the most ideological, tends to hew closely to his conservative political views. He cast the only "no" vote against the proposed government restructuring, believing authority should stay with elected officials.

With divergent priorities, the supervisors lack a unified strategy to tackle county issues, the interviews showed. Each, however, has strong views on how best to oversee the county.

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*

(INFOBOX BELOW)

Mike Antonovich

***Age:** 67*

***District**: Fifth*

***Party:** Republican*

***Resume:** Longest-serving of current board members; previously a state assemblyman, chairman of state Republican Party, campaigner for Barry Goldwater and Ronald Reagan, community college trustee, teacher*

***Leadership style:** Committed to local projects, such as building libraries, combined with a strong conservative ideology.*

***Key issues:** Public safety, adoption of foster children. He likens an expanded county administrator's job to the colonial government under King George III, and opposed the Grand Avenue downtown Los Angeles redevelopment plan.*

***Proudest achievements:** Reopening Olive View-UCLA Medical Center in Sylmar in 1986; launching a program to disarm parolees*

***Family:** Married, with a daughter, 5, and a son, 7; lives in Glendale*

***Hobbies:** Going on biannual horseback rides in his district; attending children's sporting events; volunteering in his Lutheran congregation*

Did you know? *The decorations on his office walls include a framed letter from his "hero," inventor and visionary Buckminster Fuller. Also has been known to mail voluminous packets of conservative news clippings to friends. Displays a puppy or kitten before each board meeting to help it find a home*

First elected: *1980*

Termed out: *2016*

Most memorable public scolding of a department head: *As the situation at the then-Martin Luther King Jr./Drew Medical Center worsened in 2005, Antonovich ratcheted up the pressure on the county's then-chief of the health department, Dr. Thomas Garthwaite:*

"I don't understand how you have ... over $260 million worth of administrators, you have the other medical centers giving us reports, how they pass accreditation and yet we don't have this information being given to us except through a daily newspaper. There's a disconnect there and I don't understand and that's why, you know, Dr. Garthwaite, perhaps now is the time for you to step aside. There has to be full accounting. We don't know what we're going to read next week."

In his own words:

On problems at King/Drew (now Martin Luther King Jr.-Harbor Hospital): *"The political players permitted that to exist as a second-class hospital for patronage reasons.*

"For the life of me, I can't understand how elected officials defended an inferior medical facility when they ought to have been stomping and screaming for first-class medical service and not the status quo."

On the foster care system: *"One of the greatest child abuses that occurs and is condoned by our government is the emancipation of 18-year-olds that have no support system in place."*

--

Yvonne Brathwaite Burke

Age: *74*

District: *Second*

Party: *Democratic*

Resume: *California's first African American congresswoman; first African American woman in the state Assembly; first woman to give birth while serving in Congress; previously chairwoman of the Los Angeles branch of the Federal Reserve Bank of San Francisco; attorney*

Leadership style: *Downplays her race in her political persona and tries for board consensus. Focuses on constituent concerns. Relies on quiet persistence to get her way.*

Key issues: *Easing employment restrictions on ex-convicts; providing social services to constituents, including AIDS care and child care.*

Proudest achievements: *Turning industrial zones into parks; establishing a children's charitable foundation*

Family: *Married, one grown daughter, one stepdaughter; lives on the Westside*

Hobbies: *Pilates, tennis*

Did you know? *Married to William A. Burke, founder of the Los Angeles Marathon*

First elected: *1992*

Termed out: *2016, but plans to retire in 2008 and become a mediator*

Most memorable public scolding of a department head: *Delivered to Dr. Thomas Garthwaite, who was county health chief as supervisors struggled with mismanagement and patient care problems at then-Martin Luther King Jr./Drew Medical Center (now MLK-Harbor):*

"And, as far as I'm concerned, Dr. Garthwaite, you have to do everything that you can to fix this hospital. There is nothing that prevents you from doing whatever is necessary, but I'll tell you this, that hospital will be closed over my dead body. I want to be clear on that."

In her own words:

On her role as supervisor: *"Most of the things that I do are not the things that are really very sexy ... [I do] the kinds of things that can make a little difference in people's lives."*

On King/Drew, which is in her district:

"MLK Hospital, from the day I sat in this chair, has been a source of nothing but issues. I don't know why it's always been a problem.

"Maybe it was trying to do too much with a medical school and a hospital at the same time ... I'm not willing to take the full responsibility of everything that happened in the last 27 years at King/Drew."

On criticizing department heads in public: *"No one who is a person with a tremendous reputation and who is a professional wants to sit up in public and have to be castigated."*

On her role as trailblazer: *"There are lots and lots of young women out there of all races who believe they can do it because I was willing to do it."*

--

Don Knabe

Age: *63*

District: *Fourth*

Party: *Republican*

Resume: *Former Cerritos mayor and city councilman; chief of staff to his predecessor, the late former Supervisor Deane Dana*

Leadership style: *Like Burke, Knabe shies away from public clashes and builds alliances with other supervisors.*

He and Yaroslavsky have united to protect coastal regions from pollution. Embraces issue-oriented rather than partisan decision-making. He loves to emcee events and host auctions, appearing among constituents as much as possible.

Key issues: *Law enforcement, welfare fraud and mental health care; also Marina del Rey development, beaches and community impacts of Los Angeles International Airport*

Proudest achievement: *Establishing the Safe Surrender program, under which mothers can leave unwanted newborns at fire stations*

Family: *Married, with two adult sons, two granddaughters; lives in Cerritos*

Hobbies: *Listening to Eric Clapton on his iPod; golf*

Did you know? *Knabe's political career has not unfolded without controversy. The supervisor bristled at criticism last year of his approval of a lucrative county contract with a computer firm that retained his son Matt as a lobbyist. Knabe said newspaper coverage of the vote "crossed the line." "I'm a public figure, so I'm an open book," Knabe said. "But my family's off-limits."*

His golf handicap is 11.

First elected: *1996*

Termed out: *2016*

Most memorable public scolding of a department head: *None that anybody can recall*

In his own words:

On his governing style: *"I don't try to create chaos."*

On King/Drew (now MLK-Harbor): *Closing the hospital's trauma center in 2005 was "the toughest political decision that I've ever made in my life."*

On holding county office: *Constituents "expect visibility. You don't get elected staying" in the Hall of Administration.*

"The day-to-day stuff that doesn't get headlines — I think that's what we work hard here to do."

"There is absolutely no question: The longer you're around here, the better you become at your job. I say that just because of the size and scope of what we have to do."

"There's no way in this job you could become complacent — the responsibility's just too big."

--

Gloria Molina

Age: *58*

District: *First*

Party: *Democratic*

Resume: *State Assemblywoman; first Latina on the Los Angeles City Council; the first Latina and first woman elected to the Board of Supervisors; San Francisco Department of Health and Human Services, women's health advocate*

Leadership style: *Knabe and Burke's nonconfrontational approaches offer a stark contrast to Molina's bulldog style. She is unafraid to give county officials public tongue-lashings and question county spending. She believes department heads are the root of many county ills.*

Key issues: *Exposing government waste at times in partnership with Antonovich, responding promptly to constituent complaints, combating gang violence*

Proudest achievements: *Increasing transparency of board spending; beefing up law enforcement, transportation and other services to residents of unincorporated areas*

Family: *Married, one daughter in college; lives in Mt. Washington*

Hobbies: *Quilting*

Did you know? *Molina was elected after a 1991 U.S. Supreme Court decision upheld county redistricting to allow a Latino to be elected supervisor. Oldest of 10 children.*

First elected: *1991*

Termed out: *2014*

Most memorable public scolding of a department head: *In 1995, then-county health chief Robert Gates fainted and was hospitalized after Molina and other board members pressed him about hospital construction costs. Before Gates collapsed, Molina had told him, "I am disappointed that you are not doing a very effective job."*

In her own words:

On her hard-hitting approach:

"I fought like crazy to get here. I represent a community that went all the way to the U.S. Supreme Court to make sure that I had a voice here. I'm not going to give it up easily."

"I don't do a lot of the meet-and-greet, the picture taking ... I don't present big checks. I'm not really good at" ceremonial events.

"It's not like I got up on the wrong side of the bed and decided I was going to chew somebody up that day."

"I'm fairly opinionated, as you can tell — not the kind of personality that's usually good for a political candidate ... I thought I'd be a pretty effective mayor."

On King/Drew (now MLK-Harbor):

"I think we get misled very often by our own bureaucrats. We don't always have the right person in the job. MLK hospital needed a commanding presence to put it on track."

--

Zev Yaroslavsky

***Age**: 58*

***District**: Third*

***Party:** Democratic*

***Resume:** Had been a student activist at UCLA a few years before his election to the Los Angeles City Council in 1975. Publicly considered running for mayor in the 1989, 1993 and 2001 elections*

***Leadership style:** The most philosophical and loquacious board member, Yaroslavsky is also pragmatic, at times providing the swing vote on important issues.*

***Key issues:** Reforming the Probation Department and juvenile justice system, streamlining county government, protecting the Santa Monica Bay and Santa Monica Mountains and developing a Westside subway*

However, Yaroslavsky sponsored a successful 1998 ballot initiative to ban using sales tax money to build subways, arguing at the time that light rail and busways were better alternatives.

***Proudest achievements:** Helping to pass a property tax increase in 2002 to keep medical trauma centers open; establishing Orange Line bus service in the San Fernando Valley*

***Family:** Married, one adult daughter, one adult son; lives in the Fairfax District*

***Hobbies:** Jogging, classical music*

***Did you know?** Played the oboe; gave $1 million of his office's money for the construction of Walt Disney Concert Hall*

***First elected:** 1994*

***Termed out:** 2014*

***Most memorable public scolding of a department head:** Delivered to Sheriff Lee Baca last month, for unauthorized spending on staff:*

"This is mismanagement of a level that is very unsettling, that this could have taken place without the knowledge of the board ... and I don't know how far up the chain in the Sheriff's Department it was known. You can't — this is a rogue operation.

"You simply can't be creating phantom" positions and "paying for them with overtime without getting any authority to do that from any authorized person or entity in the county government."

In his own words:

***On the board partisanship:** "The issues we deal with aren't partisan issues; they're life-and-death issues."*

***On restructuring county government:** "For anybody to say the system we have is adequate ... we all five of us need to look in the mirror, because this organization is not adequate."*

***On the Probation Department:** "It's been patently evident to people who have monitored this area of probation that our system was failing. This goes back a number of years, maybe seven or eight years, that our system was* *just plain broken in every way, shape and form."*

Bobbette Glover

From: Tricia Tasto
Sent: Wednesday, March 14, 2007 11:21 AM
To: nenglund@lacbos.org; aguitierrez@lacbos.org; jorozco@lacbos.org; Saltsman, Ben; rvelasquez@lacbos.org; pnovak@lacbos.org; rmarquez@lacbos.org; acastro@lacbos.org; tmurray@lacbos.org; jbellman@lacbos.org; Sommers, David; tbell@lacbos.org
Cc: Carlos Jackson; Bobbette Glover; Terry Gonzalez; Ed Griffin
Subject: FW: County to lose up to 2,500 rent vouchers

I am sure that many of you saw the article in today's paper regarding the County's Section 8 program.

While a majority of the article is accurate, there is a misstatement that indicated that we failed to hand out 3,500 vouchers (17% of our allocation). In reality, by year-end (FY ending June 30, 2006), we had not leased-up 2,460 vouchers (12% of our allocation). We ended the fiscal year with an 88% lease-up rate.

For clarification purposes, at the time of my February 27, 2007 report, we were at an 83% lease-up rate. However, since our new operational model has been fully implemented, we are now beginning to see the results of those efforts. Our lease-up has increased over the last two weeks and is currently at 85%. It is our goal to achieve a 95% lease-up rate by June 30, 2007.

Lastly, you may have seen another article by the AP and KABC-TV that extrapolated information from the LA Times article.

Please call/e-mail should you have any questions. I can be reached at (323) 890-7182 or via cell phone at (323) 864-0476.

County to lose up to 2,500 rent vouchers

The Housing Authority failed to hand out about 17% of its federal Section 8 subsidies last year, leading U.S. officials to cut its future allotment.

By Jessica Garrison and Ted Rohrlich
Times Staff Writers

March 14 2007

Los Angeles County housing officials failed to hand out 3,500 housing subsidy vouchers even though poor families were sitting on a waiting list that was years long.

The complete article can be viewed at:
http://www.latimes.com/news/local/la-me-lose14mar14,1,3254876.story?coll=la-headlines-california

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10:06 AM PDT, March 14, 2007

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County to lose up to 2,500 rent vouchers

The Housing Authority failed to hand out about 17% of its federal Section 8 subsidies last year, leading U.S. officials to cut its future allotment.

By Jessica Garrison and Ted Rohrlich, Times Staff Writers
March 14, 2007

Los Angeles County housing officials failed to hand out 3,500 housing subsidy vouchers even though poor families were sitting on a waiting list that was years long.

"It makes me sad.... There are people who really need it," Carolyn Davis said Tuesday. Davis, 40, said she has been homeless and sleeping on her sister's floor while waiting for a subsidy.

"I am bipolar times five," she said to explain why she can't work and needs a public subsidy to afford a place to live.

As Davis spoke outside the Los Angeles County Housing Authority headquarters in Santa Fe Springs, the department's top manager was downtown, explaining to the Board of Supervisors that his agency's failure could have lasting implications for the county's poor.

Because federal legislation pegs future subsidies to 2006 performance for all housing authorities, and because the L.A. County authority did not spend its full allotment, the federal government plans to provide 1,500 to 2,500 fewer of the subsidies, called Section 8 vouchers — meaning that up to 2,500 fewer families would get the aid.

The U.S. Department of Housing and Urban Development rated the L.A. County agency as troubled last fall because it had distributed only about 17,000 of its 20,500 authorized subsidies. HUD, which funds most of the subsidies, also criticized the authority for failing to inspect rentals paid for with the subsidies and failing to make sure that its tenants still qualified for them.

Asked if he felt bad about the situation, the agency's executive director, Carlos Jackson, said yes. "We feel very strongly about what we do. It's a difficult time for us because we did not deliver what we wanted to deliver," he said.

Jackson blamed the problems on a poor management structure that created a bottleneck, with employees unable to process requests for subsidies efficiently. "We choked ourselves," he said.

He said the agency at its worst was distributing 83% of its vouchers and is now at 85%, with a target of 95% by July.

He said he was on the way to fixing the other problems too.

County supervisors said they wanted periodic updates.

"Obviously, we're all troubled by this troubled rating," Supervisor Don Knabe said.

Compton resident Larry Spires, who said he has been waiting years for a voucher, was troubled too. Spires, 31, who said he has not been able to work since he was hit by a car, was surprised to learn that the county's poor stand to lose thousands of subsidies because its bureaucrats failed to make full use of them.

"They shouldn't penalize us," he said.

*

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NAHRO Monitor; March 15, 2007

Following the DOJ prototype guidance, recipients of HUD funds are to determine the extent of their obligations to provide LEP services, such as translations of documents and interpreters, according to four factors:

- The number and proportion of LEP persons served or encountered in the eligible service area
- The frequency with which LEP individuals come in con tact with the program
- The nature and importance of the program, activity or service provided by the program
- The resources available to the recipient and costs

Using these factors HUD recipients are expected to decide what language assistance services are appropriate and develop Language Assistance Plans (LAPs) to address the identified needs of the LEP populations they serve.

The guidance notice provides discussion of how LEP needs are to be determined and LAPs are to be developed. HUD emphasizes that the guidance is not regulation and must be applied flexibly depending upon each recipient's circumstances. The guidance contains nonbinding safe harbor provisions relating to the need to translate documents. However, these safe harbors do not apply to the obligation to supply oral interpreters.

HUD officials at the briefing reiterated language in the guidance notice that the department's goal is to achieve voluntary compliance. However, it was also made clear that, failing that, enforcement actions would occur with sanctions that ultimately could include withholding HUD funding.

At this time, HUD does not intend to provide additional earmarked resources for LEP implementation. Some HUD officials at the briefing acknowledged that resources may not be available to achieve full compliance immediately and that, depending on the recipient's situation, the process might extend to months or years. Certain HUD forms will be made available in translation. However, it will be the responsibility of recipients to translate documents that are not national forms. HUD officials made it clear that HUD will expect housing providers to provide translations, not only of leases but of other operational documents, such as default notices and the like, that have an important effect on the rights or obligations of LEP persons.

Public housing agencies and local governments should read this guidance carefully. It begins a process that may be far-reaching and, in some cases, expensive. Questions concerning the guidance may be directed to NAHRO General Counsel Bill Maher at bmaher@nahro.org.

HAs Evaluate "How HUD's Doing"

In compliance with the Government Performance and Results Act, in 2001 and 2005 HUD sponsored a series of independent, confidential surveys of many of its key implementation partners-intermediaries who delivered HUD's programs-to assess their satisfaction with HUD performance. The 2001 survey data were published by HUD in a report titled, "How's HUD Doing? Agency Performance As Judged By Its Partner.s" The report provides an assessment at that point in time, and also affords a baseline against which to evaluate changes in partner satisfaction with HUD over time. In 2005 HUD tracked changes in partner satisfaction since 2001, and examined partner-relationship issues of current interest resulting in a report titled, "Partner Satisfaction with HUD's Performance - 2005 Survey Results and Trends Since 2001" (www.huduser.org/Publications/pdf/partnersatis.pdf).

The report is written in a way that is meant to allow readers to draw their own conclusions from the data provided, and to establish a baseline from which future assessments of HUD's progress can be made. Among other findings, HUD's 2005 report shows:

- *Overall Performance*: Sixty-five percent of HA directors were satisfied with HUD's overall performance in 2005, which is a statistically significant improvement over 2001, when 44 percent were satisfied with HUD overall. Unlike other HUD partner groups, the longer HA directors had interacted with the Department, the less likely they were to be satisfied with HUD.
- *Relationship with HUD*: Ninety-five percent of HA directors characterized their relationship with HUD as good, splitting fairly evenly between those saying very good and good. Forty-nine percent said relations between their agencies and HUD had gotten better over the last several years, while 13 percent said they had gotten worse and 35 percent said relations had not changed.
- *Being Customer Friendly*: Partners' evaluations of the extent to which HUD has replaced a top-down bureaucracy with a new customer-friendly structure have not changed much since 2001, except for a 14-percentage point drop in the proportion of HA directors who think HUD has not achieved this objective at all.
- *Instilling an ethic of competence and excellence*: HA directors concluded that this objective has not been achieved, by providing a decline of 19 percentage points since 2001.
- *Quality and Timeliness of Guidance*: Dissatisfaction levels were very high (about 40 percent) with respect to: (a) HUD's capacity to collect and make available tenant data and reports in the PIC system; (b) the timeliness of financial information received from HUD; (c) the quality of technical assistance and guidance received from PIC and REAC regarding electronic transmission of information to HUD; and (d) PHAS.
- Almost 60 percent of HA directors were dissatisfied with physical inspections performed by REAC.
- *HUD's Public Relations*: More than one-half of directors of large HAs said HUD's public communications, such as to Congress and the media, about public housing agencies generally made it harder for them to accomplish their objectives.

Performance Category	Percent of PHA Directors Dissatisfied in 2005
HUD programs	32%
How HUD runs programs	46%
Overall	35%

satisfaction	
Quality of information	26%
Timeliness of information	40%
Timeliness of decision making	47%
Quality of guidance	32%
Consistency of guidance	40%
Clarity of rules and requirements	57%
Competence of people at HUD	22%
Employees' knowledge, skills and ability	27%
Ability to reach people at HUD	26%
Time commitment to comply with reporting	56%

As previously reported in The *Monitor*, "Urban Institute Reviews HUD; HAs Least Satisfied With Department" (www.nahro.org/members/monitor/2002/0615.cfm#j), in 2001, HAs rated HUD lower than any other department partner group, according to "*How's HUD Doing? Agency Performance As Judged By Its Partners*." From December 2000 to April 2001, twenty-four percent of HA directors and officials expressed deep dissatisfaction with HUD's programs and the way they are run; 56 percent said they are dissatisfied and only 37 percent expressed any degree of satisfaction.

HUD's 2005 report states, "[i]t seems logical that alterations in partner satisfaction with HUD would primarily be a response to some particular or series of initiative(s) or event(s) that are both highly visible to partners and perceived as substantial. The net effect of all such initiatives or events occurring during any period might, then, contribute to changes in partner satisfaction with HUD...While it is impractical to present an exhaustive inventory of all policy or program actions, organizational adjustments, or management initiatives, several examples provide a flavor of what occurred."

- Among the policy initiatives undertaken since 2001 were efforts to expand homeownership opportunities; increase the production and quality of affordable rental
  housing; and encourage partnerships between faith-based and community organizations; Other initiatives included proposals to block grant the Housing Choice Voucher Program to the states; revise Housing Choice Voucher Program funding calculations; suspend the HOPE VI program; transfer the Community Development Block Grant program to the Department of Commerce; or implement public housing negotiated rulemaking recommendations.
- Among the program initiatives that occurred since 2001 were: the provision to communities of a Consolidated Plan Management Process Tool; full implementation of
  the Public Housing Assessment System (PHAS); expanded multifamily oversight and monitoring (especially through Performance-Based Contract Administrators overseeing the project-based Section 8 program with annual management and occupancy reviews); expanded oversight of non-performing or marginally performing multifamily owners and agents (as determined by REAC physical inspections); drawbacks of some multifamily delegations; establishment of timeliness and quality standards for agencies processing fair housing complaints; and implementation of a Rental Housing Integrity Improvement Project.
- Among the organizational changes occurring since 2001 were elimination of the community builder function as well as consolidation of previously independent offices-like the Real Estate Assessment Center, the Departmental Enforcement Center, and the Office of Multifamily Housing Assistance Restructuring-under existing program offices.
- Among the management initiatives undertaken since 2001 were improvements in web and electronic communications; expanded e-Government; reductions in staffing; investments in workforce analysis and planning; and development of personnel succession strategies.

Detailed quantitative and qualitative survey responses from each type of HUD partner agency are available at:

- Public Housing Agency Partners' satisfaction with HUD's performance
- Community Development Directors' satisfaction with HUD's performance
- Fair Housing Assistance Program Partners' satisfaction with HUD's performance
- Multifamily Housing Partners' satisfaction with HUD's performance
- Mayors' and other Chief Elected Officials' satisfaction with HUD's performance
- NHPN-affiliated Non-Profit Housing Organization Partners' satisfaction with HUD's performance

Welfare-to-Work Voucher Study Shows Positive Housing Outcomes

HUD's Office of Policy Development and Research recently published "The Effects of Housing Choice Vouchers on Welfare Families (Parts I & II)." This report evaluates the Welfare to Work (WtW) voucher program, initiated in FY 1999 when Congress appropriated $283 million for 55,000 tenant-based rental assistance vouchers to help families make the transition from welfare to work. HUD's study examined the longer-term impact on families some three and a half years after they received a housing voucher. It considers effects on such dimensions as employment, earnings, welfare receipt, adult education, housing quality, neighborhood conditions, child education, juvenile delinquency and nutrition.

Under the WtW program, HUD awarded vouchers to local and state housing agencies that presented reasonable plans for matching up eligible families with available housing assistance and for coordinating these efforts with existing welfare reform and welfare-to-work efforts. The implementation of the WtW voucher program was monitored in each site to clearly establish the nature of the program intervention. The report's authors concluded, therefore, that in assessing the effects of the program, the intervention being tested was the voucher itself.

The study's authors concluded, "[t]his report shows that for welfare families, vouchers are an effective housing program but not an effective anti-poverty program. The report finds that access to vouchers essentially eliminated homelessness, greatly reduced crowding and doubling up, and somewhat improved the neighborhoods in which extremely low-income families lived. Over the three and a half year study period, however, the voucher had no impact on employment, earnings, adult educational attainment, food security, marriage, or cohabitation."

The full report is available online at
www.huduser.org/Publications/pdf/hsgvouchers_1.pdf and
www.huduser.org/Publications/pdf/hsgvouchers_2.pdf.

More Details: HUD's FY 2008 Voucher Legislative Proposal

Few details of HUD's pending Section 8 Housing Choice Voucher authorizing legislation were included in its FY 2008 budget. NAHRO's initial review of HUD's authorizing voucher proposal, "Budget: President to Put Forth Section 8 Reform," is online at www.nahro.org/members/monitor/2007/215.cfm#e. Subsequently, HUD released its FY 2008 budget justifications, providing additional details of its authorizing voucher proposal, as well as testimony before the House Financial Services Committee. NAHRO has conducted a review of this additional information, with more details to be made available in HUD's reform proposal to be submitted to Congress early in 2007.

Housing Assistance Payment Funding Level and Renewal Formula

HUD described its FY 2008 budget funding request - an increase of just $9 million (0.000623441 percent) in Housing Assistance Payments (HAP) above FY 2007 enacted levels - as essential to provide a consistent level of program funding to help HAs adapt to the budget-based funding approach. When combined with a block grant funding formula, HUD's requested voucher HAP funding level in FY 2008 would have damaging effects to many communities across the country.

Apart from adjustments enacted by Congress, the last three-year "snapshot" budget-based funding formulas capped funding at each HA's applicable annual adjustment

PRESS ENTERPRISE CBS

Sacramento Bee 3-14-07

LA County to lose housing subsidies, fewer families to get aid

- The Associated Press

The Los Angeles County Housing Authority failed to hand out about 17 percent of its housing subsidy vouchers last year, leading federal officials to cut future allotments.

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Federal legislation pegs future subsidies to 2006 performance.

County Housing Authority executive director Carlos Jackson blamed the problems on a poor management structure that created a bottleneck, with employees unable to process requests for subsidies efficiently.

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About the writer:

- Information from: Los Angeles Times, http://www.latimes.com

KFWB

Posted: Wednesday, 14 March 2007 8:02AM

Fewer Families Will Receive Aid

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Federal legislation pegs future subsidies to 2006 performance.

County Housing Authority executive director Carlos Jackson blamed the problems on a poor management structure that created a bottleneck, with employees unable to process requests for subsidies efficiently.

``We choked ourselves," he said. ``It's a difficult time for us because we did not deliver what we wanted to deliver."

He said the agency at its worst was distributing 83 percent of its vouchers. It's now at 85 percent, with a target of 95 percent by July.

The U.S. Department of Housing and Urban Development rated the county agency as troubled last fall because it distributed only about 17,000 of its 20,500 authorized subsidies. HUD, which funds most of the subsidies, also criticized the authority for failing to inspect rentals paid for with the subsidies and failing to make sure that its tenants still qualified for them.

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Median home price hits record

Southland standard at $495,000 despite 10-year low in sales

BY GREGORY J. WILCOX, Staff Writer
LA Daily News

Article Last Updated:03/14/2007 07:37:17 PM PDT

Los Angeles County's residential real estate market packed enough power in February to push Southern California's median price to a record even though sales fell to a 10-year low, an industry tracker said Wednesday.

Last month's median price increased 5.3 percent to $495,000 across the six county region, breaking the prior record of $490,000 set last June and matched in December, said La Jolla-based DataQuick Information Systems. That was the biggest annual increase since a 5.9 percent gain last July.

However, sales of new and previously owned houses and condominiums sank an annual 19.8 percent to 7,680 transactions, the smallest February total since 1997.

But the Los Angeles County median jumped 7.8 percent to a record $528,000 and sales fell 11.1 percent.

"L.A. is a giant market that was late to the housing boom and it's still playing out where others have spent whatever energy they had," said DataQuick analyst Andrew LePage.

He still thinks appreciation in Los Angeles will continue to shrink.

The company also said that signs of market distress remain at moderate levels. Financing with adjustable-rate mortgages is declining and foreclosure activity is rising but is still in the normal range.

"It's a very strange market," said Jack Kyser, vice president and chief economist at the Los Angeles County Economic Development Corp., a nonprofit business research and retention group.

"Some areas are seeing year-over-year price increases."

greg.wilcox@dailynews.com

(818) 713-3743

ms

LAVoice.org 3/15/2007

Self-Inflicted Housing Wounds

This story is just terrible. There's nothing else you can say.

It's been **widely reported today** that Los Angeles County is going to lose a significant allocation of **HUD Section 8 Housing Vouchers** this year because the **LA County Housing Authority** didn't hand out its full allotment in 2006.

The County maintains a waiting list a mile long for vouchers and somehow, more than 3,000 of the 20,000+ vouchers allotted by HUD went unused.

Poor management at the County Housng authority is apparently to blame.

It's not clear to me if that means that budget cuts led to a dysfunctional management structure or if management was simply asleep at the switch. Regardless, there are a lot of people who are being unnecessarily penalized for this.

This is an issue that cries out for leadership from our elected officials. Two things need to happen:

First, the problem at the Housing Authority has to be fixed, *yesterday*.

Second, **somebody** (yeah, this is a county issue, but hizzoner has the stature to get this done) needs to get on a plane and go see **Secretary Jackson** at HUD and get a stay of execution for the upcoming voucher cut.

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Housing Affairs *Letter*

CD PUBLICATIONS Est. 1961

THE INDEPENDENT WEEKLY WASHINGTON REPORT ON HOUSING

WASHINGTON, MARCH 16, 2007

No. 07-11

HEARD AT HUD

What Next For Bernardi?

HUD Deputy Secy. Roy Bernardi has been working for more than a year to design a reorganization plan to streamline the agency.

Bernardi tapped senior HUD executives to map dramatic changes in HUD's operations, particularly how the agency contracts with private vendors, how it purchases goods and services outside the umbrella of the General Services Admin., improvement of HUD's conversion to a high-tech computer system, personnel hiring and the centralization of some administrative functions.

Hundreds of hours were spent compiling the details of the plan. Meeting after meeting consumed more time the executives could have spent on other duties.

At the same time, Bernardi, who runs HUD's day-to-day operations, was dispatched by Jackson on occasion to take political heat which would have been directed at Jackson otherwise.

Bernardi completed the streamlining task and submitted his proposal to Jackson.

HAL is told Jackson summarily rejected Bernardi's entire plan in a confidential March 14 memo. Jackson reportedly bowed to pressure from more recent assistant secretary political appointees to reject the plan outright.

HUD officials confirm the memo, telling *HAL* Jackson "non-concurred" with Bernardi's plan. HUD calls reorganization planning "routine" on an annual basis, adding the plan hasn't been scrapped because it will continue to be studied. "The timing wasn't right," a HUD aide tells *HAL*.

But in a subsequent call to *HAL*, HUD officials say the entire plan wasn't scrapped. Two divisions, the Office of Community Planning & Development and the Office of Health Homes & Lead Hazards, have been given a green light to reorganize.

Sources tell *HAL* Bernardi's effort went beyond the routine into a massive upending of the present administrative structure.

Sources say HUD is rife with speculation about Bernardi's future at the agency now that his clout has been undermined. Bernardi's political influence was undercut when Democrats assumed power in the House this year, sending his chief supporter, Rep. James Walsh (R-NY), to a minority role on the Appropriations Committee.

HOMEOWNERSHIP

Minorities Pay More For Mortgages

A new study cites Citigroup, Countrywide, General Motor's GMAC, HSBC, JPMorgan Chase, Washington Mutual and Wells Fargo for making more expensive loans to minorities than whites in six major U.S. cities.

The California Reinvestment Coalition, Community Reinvestment Coalition of North Carolina and four other groups contend black and Hispanic borrowers in Boston, Charlotte, Chicago, Los Angeles, New York City and Rochester, NY are more likely to receive costlier loans.

The report concludes that lenders should make all of their mortgage products available to all borrowers and that regulators should investigate lending practices at the banks.

But critics accuse the groups of omitting key factors from the study, such as borrowers' credit ratings and borrowing histories.

PUBLIC HOUSING

PHAs Gear Up For April 15

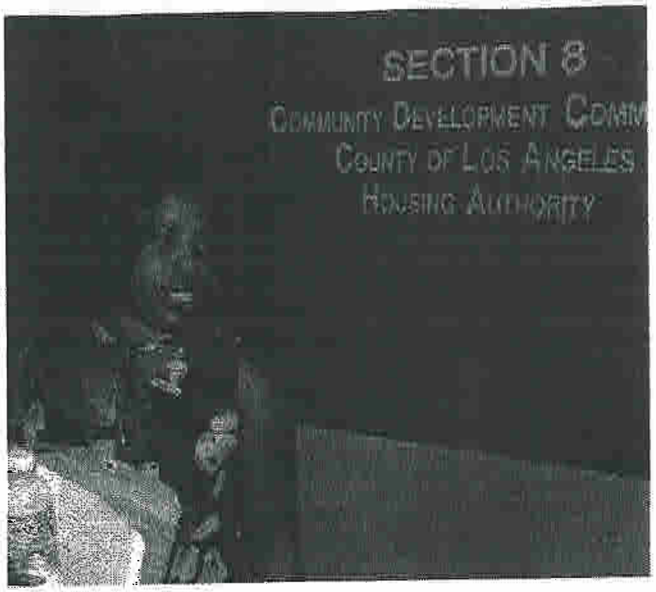
In less than a month, public housing authorities (PHAs) must submit their plans to convert to on-location management of their individual assets.

But sources tell *HAL* many remain in a quandary over application of the new public housing operating fund formula and its accompanying conversion to asset management, under which PHAs must calculate their assets and holdings using private-sector methods.

Under the formula, about 800 of the more than 3,000 PHAs will lose operating money in the conversion. If they confirm to HUD April 15 that they have successfully converted to asset management, their losses will be limited to 5% of the difference between present funding and prior year allocations.

If a PHA fails to meet next month's deadline, and is in the losing category, its loss increases to 24% until the next deadline of Oct, 1, 2007. Losses will increase each time a PHA fails to report successful conversion.

HUD says it expects about 400 of the losing PHAs to confirm their conversions by April 15.



CHANGES MADE - Laticia Clark of Lake Los Angeles claims she learned by mail that certain Section 8 functions will be conducted out of the agency's main office in Santa Fe Springs. The Lancaster office will move to Palmdale.

GENE BRECKNER/Valley Press

L.A. County reorganizes its Section 8 program

This story appeared in the Antelope Valley Press on Sunday, March 18, 2007.

By ALISHA SEMCHUCK
Valley Press Staff Writer

LANCASTER - A move to improve a poor rating has sparked reorganization of the Section 8 housing program run by Los Angeles County's Housing Authority, county officials said.

That reorganization resulted in a packed house Thursday at the agency's Lancaster office, where tenants who receive Section 8 assistance packed the front office, wanting to know how the change would affect their government funding while employees behind the scenes continued packing case files for a proposed move, an employee who requested anonymity said. The Antelope Valley office is slated to shut its Lancaster doors in summer but reopen with larger office space in Palmdale.

"I have been doing an overall reorganization of the Section 8 program," said Carlos Jackson, the Los Angeles County Housing Authority executive director. "Part of that was to assess and reorganize our office in the Antelope Valley."

Certain functions are moving to the agency's main office in Santa Fe Springs, such as the "administrative processing of files," Jackson said. Other functions "will continue to be offered in the Antelope Valley," he added. "We're enhancing our customer services."

He contended that the customer service staff would be better prepared to interface with clients in a more effective way.

The Lancaster office services about 2,500 Section 8 contracts and operates with a 21-member staff - a mix of administrative workers, inspectors and investigators. Staff numbers will decrease

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Socioeconomics 101

Article Launched:03/20/2007 12:00:00 AM PDT

Re "Education Revolution" (Our Opinions, March 16):

Socioeconomics is the key word in education. For example: Some small districts, such as the Beverly Hills district, have excellent scores and graduation rates, but a small district in Compton is one of the worst-performing school districts in California. The same equation will apply if we compare districts such as San Marino and Lynwood, both small districts - one a top performer and the other one of the lowest performers. If we look at the Los Angeles Unified School District, some schools in the Porter Ranch area are among the top performers in the nation, while some schools in the South Central area are the lowest.

Politicians and others who never expended any time in the ghettos of America are never going to get it. Schools are just as good as the neighborhoods where they stand. Socioeconomics is the key to education.

- Federico Iches

Valencia

Rarest of feats

Re "Iraq war backers must admit our errors" (Viewpoint, March 18):

Daily News Opinion Editor Chris Weinkopf performs that rarest of feats: revising his opinion in print. The re-examination of his views on the wisdom of invading Iraq, based on the tenets of his faith as well as strategic considerations, panders neither to the right nor the left - it just expresses his thoughts. It would be refreshing to see such openness not just in journalism, but in the government as well.

- Doug Lasken

Woodland Hills

Section 8 housing

Re "Housing program crumbles" (March 17):

The article seems to imply greed on the part of landlords to evict Section 8 tenants. For many years, in spite of L.A.'s rent control, many apartment owners were eager to accept tenants on Section 8. But over at least the last few years, the escalating ineptness and nonresponsiveness of the Housing Authority of the city of Los Angeles has prevented units under Section 8 from even keeping up with rents allowed under the economically absurd rent-stabilization ordinance.

If the city's Housing Authority became competent and businesslike, many owners would again accept Section 8 tenants.

- Victor N. Viereck

Valley Village

And other pet beliefs

Re "Same old song" (Your Opinions, March 16):

So now we have another proposal why those goofy scientists are pushing the theory of global warming: They're doing it for the money. It's not from concern for humanity; it's simple greed. Michael Crichton, on the other hand, wrote his novel decrying the theory because he's a humanitarian who wanted and got his invitation to the White House.

Perhaps your readers could pool their resources, back a movie from Crichton's book and slip in their other pet convictions: Evolution is a total fraud; there really were weapons of mass destruction in Iraq in 2003; Jesus is buried in James Cameron's tomb.

- Mary Black

Winnetka

in the Antelope Valley as some employees - primarily caseworkers - were told they could either transfer to the Santa Fe Springs office or terminate their employment and receive 30 days severance pay, said an employee who requested anonymity.

Though Jackson acknowledged that some employees are transferring, he did not substantiate hearsay about resignations and severance pay. He also did not disclose how much the Antelope Valley staff would be downsized.

"Our inspectors and our investigators will remain," the executive director said.

"This whole thing has nothing to do with us," said an investigator who asked not to be named. "We're a separate unit from assisted housing. We're going to continue to do our thing."

Bob Nishimura, supervisor of the Investigations Unit, concurred. He has three investigators working on more than 50 open investigations in the Valley at any given time.

"Plus, I spend almost half my time on Antelope Valley-related issues," he said. The Investigations Unit frequently works with the L.A. County Sheriff's Department, Lancaster and Palmdale, he added.

Aside from investigators and inspectors, Jackson said, "some administrative activities will also remain" in the Valley. He didn't say how many people handling that function would be at the new Palmdale site, 2323 East Palmdale Blvd., Unit B, once the move from Lancaster is completed sometime in July.

Many of the Section 8 recipients worried that fewer caseworkers in the Antelope Valley would pose a hardship and delays in getting vouchers to pay their rent.

Lake Los Angeles resident Laticia Clark said she received a letter roughly three weeks ago from the Housing Authority's Santa Fe Springs office that informed her of the reorganization.

She claimed that the letter stated Section 8 recipients in the Antelope Valley would have to conduct all their Housing Authority dealings in Santa Fe Springs once the reorganization is completed.

"Somebody has to step up and do something. See how scared they are," Clark said, referring to the group that crowded the agency's Lancaster office. Clark said the others didn't want to talk to the newspaper and especially not give their names for fear of losing their Section 8 eligibility because "somebody's going to have it in for them."

Santa Fe Springs is about 83 miles from the Lancaster office.

"It's not very convenient," Clark said.

Jackson said his office hadn't sent out any letters notifying clients of the reorganization. He said the Section 8 recipients could still handle all their business in the Valley - they don't have to travel to Santa Fe Springs.

But another client at the Lancaster office, who declined to give her name, said she too was told that she would have to deal with Santa Fe Springs - not necessarily drive there, but send all her paperwork and mail there.

"I didn't have a letter. This is the first time I heard," she said, describing herself as a divorced mother of three daughters.

"I wasn't notified by my caseworker. I felt that was done unprofessionally." She said the house she rents is for sale, and she doesn't have a move-out date, but she needs to be issued a voucher and other paperwork in order to "look for another place. I was told there's no workers to represent me."

Though these women expressed distress, Jackson attributed that to some temporary confusion at the Lancaster office.

"None of our clients or landlords will be inconvenienced by this," he contended.

Norm Hickling, field representative for county 5th District Supervisor Michael D. Antonovich, said the supervisor realized reorganization of the Housing Authority "was inevitable based on HUD's rating as a troubled agency."

The county program receives funding from the federal Department of Housing and Urban Development, which monitors the performance of its recipient agencies. During a HUD assessment around December, the county program scored 73 points in a field where the top rating is 145. Those 73 points resulted in the county program being classified as "troubled."

At that time, HUD spokeswoman Donna White said fewer than 130 of the nation's 2,000 or so Section 8 programs rank as "troubled." The others receive standard or high ratings.

That is "what prompted the supervisor to get a motion passed at the Board of Supervisors meeting, to have the Housing Authority give status reports and detailed action plans (about) how they are going to fix the findings that the HUD audit highlighted," Hickling said."

He said Antonovich stressed that "enforcement activity will continue in partnership with both the cities of Palmdale and Lancaster."

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Los Angeles Times
latimes.com

http://www.latimes.com/news/opinion/letters/la-le-monday19.2mar19,0,2348067.story

Voucher cuts are unacceptable

March 19, 2007

Re "County to lose up to 2,500 rent vouchers," March 14

The purpose of the Los Angeles County Housing Authority is to meet the needs of people unable to pay market rent for housing: mentally and physically disabled people, homeless and low-income elderly people and homeless families with children. How is it that a "poor management structure that created a bottleneck, with employees unable to process requests for subsidies efficiently," is allowed by the Board of Supervisors to persist? Why is it that the most marginal people in this city are allowed to suffer because a public agency cannot hit its own targets? The loss of 2,500 housing vouchers annually is devastating to direct-service agencies with long lists of clients eligible for Section 8 certificates.

Besides receiving periodic updates, supervisors should be insisting that the voucher allocation be fully reinstated. They should also ensure that the Housing Authority has the resources and supervision it needs, including sanctions for poor performance.

CATHERINE WAGAR

Van Nuys

PHADA Advocate

Public Housing Authorities Directors Association

Volume 22, Number 5 www.phada.org March 21, 2007

The House of Representatives Begins to Consider the Section 8 Voucher Reform Act

PHADA's Vice President for Legislation, Curt Hiebert Testifies

Curt Hiebert

On Friday, March 9, the House Financial Services Subcommittee on Housing and Community Opportunity conducted a hearing concerning a new version of the Section 8 Voucher Reform Act (SEVRA). Then Chairman Robert Ney (R-OH) sponsored the bill along with current Chairman Barney Frank (D-MA), Subcommittee Chairperson Maxine Waters (D-CA) and Rep. Christopher Shays (R-CT). Although the new version of SEVRA has not yet been introduced, PHADA has received draft language that is under consideration and has offered the subcommittee comments concerning that language. On Friday, Curt Hiebert, PHADA Vice President for Legislation, testified on PHADA's behalf concerning that draft language. Mr. Hiebert's written testimony is available on PHADA's website.

The Subcommittee heard testimony from Orlando Cabrera, HUD Assistant Secretary for Public and Indian Housing, and from two panels of witnesses. Mr. Hiebert testified in the first panel along with:

- Saul Ramirez, *Executive Director of NAHRO*
- Sunia Zaterman, *Executive Director of CLPHA*
- John E. Day, *President of the DuPage HA, a PHADA member*
- Richard Godfrey, *Executive Director of Rhode Island Housing on behalf of the National Council of State Housing Agencies*

The second panel of witnesses included:

- Sheila Crowley, *Executive Director of the National Low Income Housing Coalition*
- Barbara Sard, *Director of Housing Policy of the Center on Budget and Policy Priorities*
- Janet Charlton, *President of Triton Advisors on behalf of the National Leased Housing Association and the National Multi-Family Housing Council*
- Andrew Sperling, *Director of Legislative Advocacy of the National Alliance for Mental Illness on behalf of the Consortium for Citizens with Disabilities*

See "voucher reform act," continued on page 6

..."voucher reform act"

Continued from page 5

• Phil Tegler, *Executive Director of the Poverty and Race Research Action Council*

Generally, proposed revisions to last year's SEVRA will significantly improve the bill, overcoming several very serious concerns PHADA raised last fall. In addition, the proposed bill retains most of the elements of SEVRA that PHADA supported. Mr. Hiebert's testimony alerted the subcommittee to several of PHADA's concerns with proposed SEVRA language, including its potential for significantly reducing rent revenue for HAs in their public housing apartment complexes and the absence of a section on the Moving to Work program.

Mr. Hiebert's testimony alerted the subcommittee to several of PHADA's concerns with proposed SEVRA language, including its potential for significantly reducing rent revenue for HAs in their public housing apartment complexes and the absence of a section on the Moving to Work program.

In her opening statement, Chairperson Waters summarized primary provisions in the bill covering an HCV funding allocation system, Section 8 program inspections, changes in verifying and calculating income and rent, and Section 8 targeting provisions. Ranking Member Judy Biggert (R-IL) expressed concern with the growth in the Section 8 program's share of HUD's budget and with the HCV allocation formula change contained in the 2007 appropriations resolution (J.R. 20). Approximately 1,200 agencies lose some of their funding allocation as a result of that change, and families may be, "kicked to the curb," as a result.

Assistant Secretary Cabrera began his testimony by reminding the subcommittee that HUD had succeeded in substantially reducing improper payments from $3.5 billion to $1.2 billion (65.7 percent). He expressed HUD's desire to improve the HCV program by moving to simplification and away from regulation, citing the following department initiatives

- A budget based funding allocation system works, provides sponsors with predictable funding and can maximize the number of families served in the HCV program.

- Rent simplification based on alternatives the department originally proposed in the State and Local Housing Flexibility Act (SLHFA).

- Simplified performance oversight that monitors agencies' use of funds, solvency, the condition of their assisted housing, and timely and accurate reporting.

In his discussion of rent simplification and reform, Secretary Cabrera displayed PHADA's rent flow chart that graphically presents the complexity involved in the current income and rent determination processes.

Assistant Secretary Cabrera raised several novel suggestions during his testimony. He expressed interest in the deregulation of all agencies with fewer than 500 units, including fungibility among the Certificate, Operating and Capital Funds, and he suggested biennial recertifications for all assisted households or means testing elderly households only upon admission to assisted housing.

Curt Hiebert testified on behalf of PHADA, generally expressing the association's very positive reaction to draft language for SEVRA. However, Mr. Hiebert expressed serious misgivings over the possibility that the bill will reduce rent revenues in public housing by over $200 million annually. He also urged inclusion of a Moving to Work section that would make the program permanent, expand the number of participating agencies, provide for a robust evaluation of program outcomes, include reasonable protections for tenants, participants and applicants, and assure the continued participation of existing MTW participants.

Secretary Cabrera displayed PHADA's rent flow chart that graphically presents the complexity involved in the current income and rent determination processes.

Another PHADA member, John E. Day of the DuPage Housing Authority, offered testimony to the committee in this first panel as well. Mr. Day expressed his support for the bill while raising concerns in three areas, program operations, the funding allocation formula, and portability. With reductions in administrative overhead proposed in the bill language, Day worried that some would consider reductions in the administrative fees paid by the HCV program. He emphasized that by reducing administrative burdens, the bill will allow HAs to undertake services that are of some service to participants in their housing searches. Such services include encouraging choosing housing in less poor neighborhoods, the use of HCV portability, and reaching out to local landlords to increasing the proportion of the housing stock available to Voucher holders.

PHADA will provide further details concerning provisions of the bill when the bill is introduced and language becomes available. ■

HUD Responds to Dodd-Frank Letter Calling for Suspension of Asset Management

Asserts Management Fees for Most Agencies Will Not Be Implemented Prior to Formal Rule-Making

On February 27, HUD Secretary, Alphonso Jackson, responded to Senator Christopher Dodd (D-CT) and Representative Barney Frank's (D-MA) letter of January 16 urging the Department to suspend asset management. Jackson's response is important both for what it does say and for what it does not say.

The letter states that the management fees that HUD has promulgated should no longer be considered final and that further dialogue on this subject is welcome. This decision answers the request PHADA made in its very first paragraph of its comments on the interim guidance when it asked "the Department…to reopen a dialogue with housing authorities and the industry groups which represent them." HUD added, though, that it intended to proceed with project-based accounting beginning with HAs whose fiscal years start July 1, 2007.

Unfortunately, the letter is completely silent about the fact that the stop-loss agencies, one-quarter of all housing authorities, are still required to use HUD's published management fees, now acknowledged to need improvement, in demonstrating their conversion to asset management, slated by the Department for April 15, 2007. With HUD's letter, PHADA believes it is even more critical that Congress enact legislation postponing stop-loss compliance until October 1, 2007.

Jackson Says Management Fees Will Be Open to Further Review

According to the HUD Secretary, the amount of the management fees is the main issue in question concerning HUD's implementation of asset management. He tells the congressional leaders that "Over the last five months, the core concern that has emerged is one related to how "reasonable" management fees to pay for central office overhead will be established."

HUD's September 6, 2006 Notice in the Federal Register, "Guidance on Implementation of Asset Management" specifically stated what the property management, asset management and bookkeeping fees would be. In this letter, Jackson now revises HUD's position, saying that the Department will undertake rule-making on management fees. "It is our intention that a formal rule-making process to specifically focus on the matter of fees under asset management be initiated to allow for broad public input on this important subject." It even states that "We would welcome the prospect of congressional hearings to examine the issue of management fees in detail."

Jackson repeats this intention again and again in the letter. For instance, he writes, "It is our view that the Department should…invit(e) additional dialogue and input when it comes to specific application of management fee rules that would be phased in no earlier than July 2008." He could hardly be clearer that further discussion on management fees will take place and that these rules will not be phased in prior to July, 2008. He goes on to tell Dodd and Frank "Please rest assured, we will continue to seek broad industry input on the implementation of asset management and, especially, over the issue of management fees, and we would welcome the attention and input of both your committees on this subject."

Reading Jackson's letter, therefore, would lead the chairmen of these committees to conclude that a) the establishment of "reasonable" management fees has emerged as a serious concern b) the Department is inviting additional dialogue and input on this subject c) it will initiate formal rule-making focusing on the fees and d) management fee rules will be phased in no earlier than July, 2008. PHADA supports these positions, commends the Department for taking them and thanks the chairmen for their role in achieving them.

The Letter Avoids Any Mention of the Stop-Loss Agencies

The curious fact about the letter, however, is that there is no mention of the stop-loss agencies. According to the HUD website, the stop-loss agencies which wish to stop their losses at 5 percent are required to submit their applications to the Department by April 15. HUD's published guidance on converting to asset management includes showing the agency can operate within the HUD management fee structure.

Senior HUD officials have met with congressional staff to review the content of Jackson's letter and explain HUD's plans. One congressional staffer has told PHADA that HUD informed them that any extension in developing management fees would not apply to stop-loss agencies.

Obviously, there is a serious disconnect here. On the one hand, one can draw the conclusions from Jackson's letter enumerated above—that the management fees are a concern which call for additional dialogue and rule-making and, as a result, will not be implemented for more than a year at the earliest. On the other hand, HUD is applying these very same management fees, that are such a concern, to one-quarter of the nation's housing authorities.

Consequently, the Secretary's response does not adequately address Senator Dodd and Representative Frank's letter. Dodd and Frank cite "legitimate" issues with both the process and the substance of the implementation of asset management and urge its suspension until their committees have an opportunity to review the problems. Jackson's staff, even though HUD has conceded the need for additional work on the management fees, has told the Congress nevertheless that they are going ahead and applying the very same management fees to one quarter of the country's HAs.

PHADA continues to believe there is a need for Congress to implement the provisions that the Senate Appropriations Committee passed last summer.

PHADA therefore continues to believe there is a need for Congress to implement the provisions that the Senate Appropriations Committee passed last summer. These include confirming that the portion of the capital fund that is eligible for operations can be used to pay administrative expenses and postponing the stop-loss demonstration date for the conversion to asset management to October 1, 2007. Without this action, many housing authorities will be obligated to operate within a restrictive management fee structure that now all parties—Congress, HUD and the housing authorities—agree does not meet the rule's standard of being "reasonable."

Bobbette Glover

From: Carlos Jackson
Sent: Friday, March 23, 2007 9:37 AM
To: Terry Gonzalez; Tricia Tasto; Fia Phillips; Pat Jones; Margarita Lares Herrera; Ryan Mulligan; Ed Griffin
Cc: Bobbette Glover
Subject: FW: AV PRESS NEWS ARTICLE

Five Section 8 residents under arrest in sweep

This story appeared in the Antelope Valley Press on Friday, March 23, 2007.

By VERONICA ROCHA
Valley Press Staff Writer

Housing investigators' and deputies' inspection Thursday of three Section 8-subsidized homes in Lake Los Angeles and Littlerock resulted in five people being arrested, seven children being taken into protective custody and recommendations to terminate three housing vouchers.

At a Littlerock home in the 9000 block of East Avenue T-2, officials said they found several children, teens, adults and animals living inside the disheveled house that was supposed to be occupied only by a woman and her child. The house lacked furniture but a horse stood saddled in the backyard, officials said.

Crying children were taken outside the gates of the home, which officials said had exposed electrical wiring and floors littered with animal droppings.

"It's unfortunate," said Norm Hickling , aide to Los Angeles County Supervisor Michael D. Antonovich, whose 5th District includes the Antelope Valley. "The kids didn't make the decision; the adult made the decision not to follow the rules. It's hard to see that kids are going be affected by this."

A 36-year-old man and a 30-year-old woman were arrested on suspicion of child endangerment after Children and Family Services determined their children were living under poor conditions, said Sgt. Brian Hawksley of the COPS Bureau. Seven children, ages 18 months to 14 years, were taken into protective custody.

The man and woman, who had prior animal cruelty convictions, also were arrested on suspicion of animal cruelty. Neighbors said pit bull dogs from the home ran loose in the neighborhood.

Also at the home deputies cited one man on suspicion of possession of marijuana, and two others were arrested in connection with outstanding warrants. One of those men was wanted on warrants from out of state and likely will be extradited, Hawksley said.

Deputies towed away a GMC Yukon SUV that drove up as they were inspecting the house.

Neighbors had complained about noise from the home and about many vehicles coming and going, Hickling said.

At a home in the 40500 block of 159th Street East in Littlerock, deputies said several residents were on probation, which is forbidden at Section 8-subsidized homes.

Outside the residence, an abandoned car rested on the unkempt front lawn. In the garage, they found a 63-year-old ex-convict, who they said slept there.

Deputies also went to a home in the 8000 block of East Avenue U, where they said a resident was on probation for a grand theft conviction.

"There are people who use the system to better themselves and there are others who abuse it and defraud the taxpayers," Hickling said.

The inspections Thursday were done at homes where building code violations were found earlier, officials said.

They were conducted by deputies from the Los Angeles County Sheriff's Department COPS Bureau, two Deputy District Attorney's code enforcement investigators and a Los Angeles County Housing Authority Section 8 investigator.

In the instance that a Section 8 home has several building or health violations, the code enforcement investigators will record the violations and possibly return to the home with Los Angeles County's newly-established nuisance abatement team.

For inspections of Section 8 homes where children reside, deputies prefer to come when the children have left for school, Hawksley said.

"I don't like it when the kids are there," he said. "We don't want to scare the hell out of the kids."

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March 28, 2007

Honorable Housing Commissioners
Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

APPROVE CONSTRUCTION CONTRACT FOR ROOF REPAIRS AT PALM APARTMENTS SENIOR HOUSING DEVELOPMENT IN THE CITY OF WEST HOLLYWOOD (3)

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the roof repairs at the Palm Apartments senior housing development, located at 959 Palm Avenue, in the City of West Hollywood, is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.

2. Recommend that the Board of Commissioners approve the award of a Construction Contract (Contract) in the amount of $62,655 to Best Contracting Services, Inc. for roof repairs at the subject property; and authorize the Executive Director of the Housing Authority to execute the Contract and all related documents, to be effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.

3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of $62,655 in Capital Funds allocated by the U.S. Department of Housing and Urban Development (HUD), and authorize the Executive Director to approve Contract change orders not exceeding $15,664 for unforeseen project costs, using the same source of funds.

4. Recommend that the Board of Commissioners authorize the Executive Director to incorporate a total of $78,319 of Capital Funds into the Housing Authority's approved Fiscal Year 2006-2007 Budget, for the project described above.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a Construction Contract for roof repairs at the Palm Apartments senior housing development.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The improvements will be funded with a total of $62,655 in Capital Funds allocated by HUD, which will be incorporated into the Housing Authority's approved Fiscal Year 2006-2007 budget. A 25 percent contingency, in the amount of $15,664, is also being set aside for unforeseen costs, using the same source of funds. The estimated cost to complete the work is approximately $74,142.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Palm Apartments senior housing development consists of a total of 127 units. The Housing Authority wishes to award the attached Contract to Best Contracting Services, Inc. to complete the necessary roof repairs and other related work. It is anticipated that the entire project will be completed within 60 calendar days following the Notice to Proceed.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, Best Contracting Services, Inc. will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Contract has been approved as to form by County Counsel and executed by Best Contracting Services, Inc.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 Code of Federal Regulation, Part 58, Section 58.35 (a)(3)(ii), this project is excluded from the National Environmental Policy Act (NEPA), because it involves activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

On January 4, 2007, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to 445 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in eight newspapers and on the County Web Site. Two bid packages were requested and distributed.

On January 30, 2007, one bid was received and formally opened. The bid, submitted by Best Contracting Services, Inc., is the most responsive, lowest bidder, and is being recommended for the contract award.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT:

The award of the Contract will upgrade and preserve the senior housing development in a decent, safe, and sanitary condition for its residents.

Respectfully submitted,

Bobbette A. Glover
for CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

Construction Contract for Roof Repairs
at Palm Apartments Senior Housing Development

On January 4, 2007, the following outreach was initiated to identify a contractor for roof repairs at the Palm Apartments senior housing development, located at 959 Palm Avenue, in the City of West Hollywood.

A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Dodge Construction News
Eastern Group Publications
International Daily News
La Opinion
Los Angeles Sentinel
Los Angeles Times
The Daily News
WAVE Community Newspapers

An announcement was also posted on the County Web Site.

B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 445 contractors, of which 391 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, two bid packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On January 16, 2007, a mandatory pre-bid conference and site walk was conducted. Four firms were in attendance.

D. Bid Results

On January 30, 2007, a total of one bid was received and publicly opened. The bid result was as follows:

Company	Bid Amount
Best Contracting Services, Inc.	$62,655.00

E. Minority/Female Participation – Selected Contractor

Name	Ownership	Employees
Best Contracting Services, Inc.	Non-minority	Total: 400 67 Minorities 16 Woman 17% minorities 4% women
Blason Ind, Inc. (Sub) (Roof demolition)	Non-minority	Total: 10 5 minority 1 women 50% minorities 10% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

ATTACHMENT B

Contract Summary

Project Name: Palm Roof Repairs Project
Location: 959 Palm Avenue, West Hollywood, CA 90069
Bid Number: CM-07-001
Bid Date: February 30, 2007
Contractor: Best Contracting Services, Inc.
Services: Roof Repairs of three-story residential building

Contract Documents: Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all addenda to the Contract Documents.

Time of Commencement and Completion: The work to be performed under this Construction Contract shall be commenced within thirty (30) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within sixty (60) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Five Hundred Dollars and Zero Cents ($500.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **Sixty-Two Thousand Six Hundred Fifty-Five Dollars and Zero Cents ($62,655.00)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: $15,664.

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March 28, 2007

Honorable Housing Commissioners
Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

ACCEPT RESIDENT OPPORTUNITIES AND SELF-SUFFICIENCY RESIDENT SERVICE DELIVERY MODELS PROGRAM FUNDS FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (ALL DISTRICTS)

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the proposed action is exempt from the California Environmental Quality Act (CEQA).

2. Recommend that the Board of Commissioners authorize the Executive Director to accept from the U.S. Department of Housing and Urban Development (HUD) a $350,000 grant of Resident Opportunities and Self-Sufficiency (ROSS) Resident Service Delivery Models Program funds to implement a three-year supportive services program to promote independent living for up to 1,529 elderly and persons with disabilities who reside at the 14 conventional public housing sites identified in Attachment A.

3. Recommend that the Board of Commissioners authorize the Executive Director to execute all documents required for receipt of the grant; and if approved, the funds will be included in the Housing Authority's proposed 2007-2008 Fiscal Year budget.

4. Recommend that the Board of Commissioners authorize the Executive Director to prepare and execute contracts and any amendments thereto, including increasing contract amounts by up to 25 percent, as needed, with multiple community organizations and service providers, in a combined total amount not to exceed $350,000, to assist with program planning, implementation, and administration of activities, in accordance with HUD requirements, following approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to authorize the Housing Authority to accept from HUD $350,000 in ROSS Program funds to implement a comprehensive supportive services program that promotes independent living for the elderly and persons with disabilities who reside in 14 conventional public housing sites.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The $350,000 grant will be included into the Housing Authority's proposed Fiscal Year 2007-2008 budget, and it will be matched by over $395,965 in in-kind services from community organizations and service providers.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

In July 2006, the Housing Authority submitted a funding application to HUD under the 2006 ROSS Elderly and Persons with Disabilities Program. For Fiscal Year 2006-2007, $10 million was available for this program through a nationally competitive awards process.

In February 2007, HUD awarded the Housing Authority a $350,000 grant. Funds will be used to provide the elderly and persons with disabilities who are public housing residents with an array of supportive services including: program coordination, home assistance, mental health assessments, transportation assistance, translation services, home-delivered meal programs, case management, mental health assessments, and other related activities designed to promote independence and increase quality of life.

This letter has been reviewed by County Counsel.

ENVIRONMENTAL DOCUMENTATION:

This project is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations Part 58, Section 58.34(a)(4), because it involves public service activities that will not have a physical impact on or result in any physical changes to the environment. The activities are not subject to the provisions of the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROGRAMS:

The grant will enable the Housing Authority to implement programs and services that promote independent living and an improved quality of life for the elderly and persons with disabilities.

Respectfully submitted,

Babbette A. Glover

for CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

ROSS PROGRAM SITES

LARGE SITES

CARMELITOS
700-1100 Via Wanda
900 Via Carmelitos
Long Beach, CA 90805

HARBOR HILLS
26607 S. Western Ave.
Lomita, CA 90717

NUEVA MARAVILLA
4919 Cesar E. Chavez Ave.
Los Angeles, CA 90022

LOMITA MANOR
24925 Walnut Street
Lomita, CA 90717

NORTH COUNTY

FOOTHILL VILLA
2423 Foothill Blvd.
La Crescenta, CA 91214

ORCHARD ARMS
23410-23540 Wiley Canyon Rd.
Valencia, CA 91355

SOUTH COUNTY

SOUTHBAY GARDENS
230 E. 130th St.
Los Angeles, CA 90061

WEST COUNTY

WEST KNOLL APTS.
838 West Knoll Dr.
West Hollywood, CA 90069

PALM APTS.
959 Palm Ave.
West Hollywood, CA 90069

MARINA MANOR I
3401 Via Dolce
Marina Del Rey, CA 90292

MARINA MANOR II
3405 Via Dolce
Marina Del Rey, CA 90292

EAST COUNTY

WHITTIER MANOR
11527 Slauson Ave.
Whittier, CA 90606

HERBERT AVE.
133 Herbert Ave.
Los Angeles, CA 90063

FRANCISQUITO VILLA
14622 Francisquito Ave.
La Puente, CA 91746

Los Angeles County Chief Administrative Office
Grants Management Statement for Grants of **$100,000** or More

Department: The Housing Authority of the County of Los Angeles

Grant Project Title and Description
Resident Opportunity and Self-Sufficiency(ROSS) Resident Service Delivery Models(RSDA): to provide the elderly and persons with disabilities who are public housing residents with and array of supportive services including: program coordination, home assistance, mental health assessments, transportation assistance, translation services, home-delivered meal programs, case management, mental heal assessments, and other related activities designed to promote independence and increase quality of life.

Funding Agency	**Program (Fed. Grant #/State Bill/Code #)**	**Acceptance Deadline**
U.S Department of Housing and Urban Development	CFDA Number: 14.876	6/30/2007

Total Amount of Grant Funding: $350,000.00 **County Match Requirements:** $0

Grant Period: 3 years **Begin Date:** 9/01/07 **End Date:** 8/31/10

Number of Personnel Hired Under This Grant: 1 **Full Time:** 1 **Part Time:**

Obligations Imposed on the County When the Grant Expires

	Yes	No	N/A
Will all personnel hired for this program be informed this is a grant-funded program?	☒	☐	☐
Will all personnel hired for this program be placed on temporary ("N") items?	☒	☐	☐
Is the County obligated to continue this program after the grant expires?	☐	☒	☐
If the County is not obligated to continue this program after the grant expires, the Department will:			
a) Absorb the program cost without reducing other services.	☐	☒	☐
b) Identify other revenue sources.	☐	☒	☐
Describe:			
c) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	☒	☐	☐

Impact of additional personnel on existing space: Existing space is adequate

Other requirements not mentioned above: None

for **Department Head Signature** Bobbette A. Glover **Date** 3/23/07

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March 28, 2007

Honorable Housing Commissioners
Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

FURNITURE, FIXTURES AND EQUIPMENT FOR HOUSING CHOICE VOUCHER (SECTION 8) PROGRAM OFFICE AT 2323 EAST PALMDALE BOULEVARD, PALMDALE (5)

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the purchase of furniture, fixtures and equipment (FFE) for the Housing Choice Voucher (Section 8) Program office at 2323 East Palmdale Boulevard in the City of Palmdale is not subject to the California Environmental Quality Act (CEQA).

2. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority to negotiate and enter into contracts and related documents with various firms, to be effective following approval as to form by County Counsel and execution by all parties, to provide FFE, as described herein, for the Section 8 Program office to be located at 2323 East Palmdale Boulevard in the City of Palmdale; and to use for this purpose an aggregate amount of up to $296,000 in Housing Choice Voucher Administrative Funds included in the Housing Authority's approved Fiscal Year 2006-2007 budget.

3. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the contracts, following approval as to form by County Counsel, to provide for any unforeseen costs, in the aggregate amount of up to $74,000 in Housing Choice Voucher Administrative Funds included in the Housing Authority's approved Fiscal Year 2006-2007 budget.

PURPOSE/JUSTIFICATION:

The purpose of the recommended action is to authorize the Executive Director to execute needed contracts to provide FFE for the Section 8 Program office to be located at 2323 East Palmdale Boulevard in the City of Palmdale.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund.

The contracts to provide FFE for the Section 8 Program office will be funded with an aggregate total of $296,000 in Housing Voucher Administrative Funds included in the Housing Authority's approved Fiscal Year 2006-2007 budget.

A 25 percent contingency, in the aggregate amount of $74,000 will be set aside for unforeseen costs using the same source of funds.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On October 10, 2006 your Board approved a 10-year Lease Agreement with AP-Palmdale, LLC for a Section 8 administrative office serving the Antelope Valley area. At that time, authorization was given for the Housing Authority to spend $113,090 for tenant improvement and related change orders. Additional funds, in the amount of $296,000, are needed for FFE costs including: office furniture and equipment, purchase and installation of telephone and computer equipment, security and access systems, and moving expenses.

ENVIRONMENTAL DOCUMENTATION:

Furniture, fixtures and equipment purchases are exempt from the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3), because they involve activities that will not have a physical impact or result in any physical changes to the environment. These activities are also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT:

The acquisition of furniture, fixtures and equipment for the Section 8 Program office will facilitate the delivery of programs and customer service to the County of Los Angeles.

Respectfully submitted,

Bobbette A. Glover
for CARLOS JACKSON
Executive Director

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Carlos Jackson
Executive Director

March 28, 2007

Honorable Housing Commissioners
Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

APPROVE JANITORIAL SERVICES CONTRACT (ALL DISTRICTS)

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the Janitorial Services Contract is exempt from the California Environmental Quality Act (CEQA), as described herein, because the services will not have the potential for causing a significant effect on the environment.

2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority to execute a one-year Contract for Janitorial Services and all related documents, with Diamond Contract Services, Inc. for services at the administrative offices of the Housing Authority and at the housing developments; and authorize the Executive Director to fund the Contract with an amount not to exceed $270,922.56 in Housing Authority funds, comprised of $45,154 included in the approved Housing Authority's fiscal year 2006-2007 budget and $225,768.56 to be requested through the fiscal year 2007-2008 annual Housing Authority budget approval process.

3. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Contract following approval as to form by County Counsel, for a maximum of two years, in one-year increments, at the same yearly amount of $270,922.56, using funds to be requested through the Housing Authority's annual budget approval process.

4. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Contract for any additional services, following approval as to form by County Counsel, in an amount not to exceed $13,546.13 per year, to cover any unforeseen needed janitorial services, using the same yearly source of funds described above.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a Contract to provide janitorial services at the administrative offices of the Housing Authority and the housing developments. A similar letter is also being submitted to the Board of Commissioners of the Community Development Commission (Commission) of the County of Los Angeles on April 10, 2007.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The maximum amount for all three years of the Contract, if fully extended, will be $812,767.68, excluding any contingency monies.

The total cost of the Contract is $270,922.56, using a maximum of $270,922.56 in Housing Authority funds, comprised of $45,154 included in the approved Housing Authority's fiscal year 2006-2007 budget and $225,768.56 to be requested through the Housing Authority's fiscal year 2007-2008 annual budget approval process. If extended, the cost of the second and third year of the Contract will remain the same at $270,922.56 annually using funds to be requested through the Housing Authority's annual budget approval process. A five percent contingency in the amount of $13,546.13 is also being set aside for any unforeseen needed janitorial services, using the same yearly source of funds described above.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The proposed Contract provides for basic janitorial services, including sweeping, vacuuming, dusting, and other cleaning services to ensure the facilities are clean and available for regular use.

A total of 20 locations will receive janitorial services under the Contract, and include the Santa Fe Springs office located in the City of Santa Fe Springs and the Mary B. Henry Telemedicine Center and the South Scattered Sites Maintenance Office located in unincorporated South Los Angeles. The proposed Contract also provides janitorial services in the common areas of the Housing Authority's housing developments. The common areas include community kitchens, rooms, and restrooms; conference rooms; classrooms; computer and other training rooms; offices; elevators; lobbies; hallways; and laundry rooms.

This proposed Contract includes the following housing developments: Francisquito Villa, Herbert Apartments, South Bay Gardens, Century and Wilton, Ujima Village, Kings Road, Palm Apartments, West Knoll Apartments, Carmelitos, Harbor Hills, Marina Manor I and II, Lomita Manor, Whittier Manor, Sundance Vista, Lancaster Homes, Orchard Arms, and Foothill Villa.

The proposed services for the Housing Authority locations are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) or the General Relief Opportunity for Work (GROW) Programs implemented by the County of Los Angeles. Instead, the Contractor must comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain U.S. Department of Housing and Urban Development (HUD) assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Commission has determined that Diamond Contract Services, Inc., has met the requirements of the Living Wage Program and agrees to pay living wage hourly rates to full-time employees while providing services under the Contract.

The Contract has been approved as to form by County Counsel and executed by Diamond Contract Services, Inc.

<u>ENVIRONMENTAL DOCUMENTATION:</u>

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves maintenance activities that will not have a physical impact or result in any physical changes to the environment. The action is exempt from the provisions of CEQA pursuant to State CEQA Guidelines 15301 because it involves activities that do not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

On October 24, 2006, a Request for Proposal (RFP) process was initiated to identify contractors to provide janitorial services for the Commission and Housing Authority offices and housing developments. Notices were mailed to 152 firms identified from the Housing Authority's vendor list. Announcements appeared in ten local newspapers and on the County's WebVen website. A copy of the RFP was also posted on the Housing Authority's website.

Pre-Proposal Conferences were held at each of the locations during the period of October 31, 2006 through November 2, 2006 and November 6 through 8, 2006. A total of 33 contractors participated in the Pre-Proposal Conferences. Seven proposal packages were requested and distributed. On November 22, 2006, seven proposals were received and formally opened.

During the period of December 20, 2006 through January 3, 2007, a panel consisting of Housing Authority and Commission staff familiar with the project evaluated the proposals and ranked each firm independently. The proposal submitted by All Care Industries, Inc., was not submitted in the required format and was determined to be non-responsive. Diamond Contract Services, Inc., was determined to be the most qualified vendor based on criteria stated in the RFP, and is therefore being recommended for the Contract award.

The Summary of Outreach Activities is provided in Attachment A.

IMPACT ON CURRENT PROGRAMS:

The proposed Contract will provide needed janitorial services for the Commission and Housing Authority offices and housing developments.

Respectfully submitted,

Bobbette A. Glover

for CARLOS JACKSON
Executive Director

Attachments: 2

Attachment A

CONTRACT FOR JANITORIAL SERVICES

Summary of Outreach Activities

On October 24, 2006, the following outreach was initiated to identify qualified firms to provide janitorial services for Housing Authority administrative offices and housing developments.

A. Request for Proposals (RFP) Advertising

RFP announcements appeared in the following ten local newspapers:

Agua Dulce News
Antelope Valley Press
Eastside Sun
International Daily News
La Opinion
Long Beach Press Telegram
Los Angeles Sentinel
Los Angeles Times
The Daily News
Wave Publications Group

The announcement was also posted on the County's WebVen website.

B. Distribution of Proposal Packets

The Housing Authority's vendor list was used to mail out the RFP to 152 contractors, of which 123 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, seven proposal packets were requested and distributed.

C. Pre-Proposal Conferences

A total of 33 contractors attended the Pre-proposal Conferences held October 31, 2006 - November 2, 2006 and November 6 – 8, 2006.

D. Proposal Results

On November 22, 2006, seven proposals were received. One proposal did not meet the minimum proposal document requirements. The proposal submitted by All Care Industries, Inc., was not submitted in the required format and was determined to be non-responsive. The results are as follows:

Janitorial Services Firms	Proposal Amount
Diamond Contract Services, Inc.	$449,337.48
WWC Window Cleaning	$344,844.24
All Care Industries, Inc.*	$372,660.00
Grace Building Maintenance Company, Inc.	$384,504.00
UNISERVE Facilities Services Corp.	$576,465.00
Lee's Maintenance Service, Inc.	$588,579.24
Lincoln Training Center	$1,159,746.60

* Non-responsive proposal

E. Minority/Female Participation – Selected Firm

Name	Ownership	Employees
Diamond Contract Services, Inc.	Minority	Total: 980 977 Minorities 583 Women 99.7% Minorities 60% Women

F. Minority/Female Participation – Firms Not Selected

Name	Ownership	Employees
WWC Window Cleaning	Minority	Total: 82 79 Minorities 4 Women 96% Minorities 5% Women
All Care Industries, Inc.	Minority	Total: 10 8 Minorities 3 Women 80% Minorities 30% Women
Grace Building Maintenance Company, Inc.	Minority	Total 90 79 Minorities 29 Women 88% Minorities 32% Women

Lee's Maintenance Service, Inc.	Minority	Total	270
		239	Minorities
		113	Women
		89%	Minorities
		42%	Women
Lincoln Training Center	Non-Minority	Total	106
		100	Minorities
		59	Women
		94%	Minorities
		56%	Women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

Attachment B

Contract Summary

Project Name: Janitorial Services
Location: Various Housing Authority sites
Proposal Number: AS06-018
Proposal Date: October 24, 2006
Contractor: Diamond Contract Services, Inc.
Services: The scope of work includes basic janitorial services, including sweeping, vacuuming, dusting, and other cleaning services to ensure the facilities are clean and available for regular use.

Contract Documents: Attachment A – Statement of Work, Attachment B – Fee Schedule, Attachment C – Required Contract Forms, and Attachment D – Required Contract Notices.

Time of Commencement and Completion: The work to be performed under this shall commence on May 1, 2007.

Liquidated Damages: In the event of breach of contract as it relates to the Living Wage Program, the Housing Authority may, at its sole discretion, assess against the Contractor liquidated damages of **Fifty Dollars and Zero Cents** ($50) per Employee per day for each and every instance of an underpayment to an Employee. The Housing Authority may deduct any assessed liquidated damages from any payments otherwise due the Contractor.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Contract subject to additions and deductions by Amendment(s) as provided in the Contract Documents, in current funds, the sum of **Two Hundred Seventy Thousand Nine Hundred Twenty-Two Dollars and Fifty-Six Cents ($270,922.56)**. The Contract Sum is not subject to escalation, and includes all labor and material increases anticipated throughout the duration of this Contract.

Contract Contingency: $13,546.13